

126091

JPRS-EER-87-031

3 MARCH 1987

East Europe Report

19980625 066
900 52908661

DISTRIBUTION STATEMENT A

Approved for public release;
Distribution Unlimited

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA. 22161

DTIC QUALITY INSPECTED 6

27
124
A06

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-EER-87-031

3 MARCH 1987

EAST EUROPE REPORT

CONTENTS

AGRICULTURE

ROMANIA

Triticale Grain Cultivation, Production Discussed (Gheorghe Ittu, Nicolae N. Saulescu; CEREALE SI PLANTE TEHNICE, No 11, Nov 86)	1
--	---

ECONOMY

ALBANIA

Diversification of Production Structures in 1986-1990 Plan (Cornelia Iorga; REVISTA ECONOMICA, No 48, 28 Nov 86)	6
--	---

GERMAN DEMOCRATIC REPUBLIC

Transportation Planning for 1986-1990 Outlined (Otto Arndt; DDR-VERKEHR, No 12, Dec 86)	10
--	----

POLAND

Sejm Committees Review Draft Five-Year Plan (RZECZPOSPOLITA, 12 Nov 86)	16
Domestic Trade Committee Objections	16
Industry Committee on Development Plans	17
Mining, Energy Committee Questions Goals	18
Labor Brigade System Discussed at Rzeszow Conference (ZYCIE GOSPODARCZE, No 45, 9 Nov 86; TRYBUNA LUDU, 25-26 Oct 86)	20

Merits of Brigade System Viewed, by Edward Wrobel Participants Share Experience, Views, by Krystyna Sonntag, Mieczyslaw Wodzicki	20 22
Changes in Reform Commission Secretariat (RZECZPOSPOLITA, 2 Oct 86)	25
Nuclear Plant Export Potential Assessed (Bogda Zukowska; POLITYKA, No 40, 4 Oct 86)	28
Regional Reporting on Computer Industry, Market (Various sources, various dates)	32
Electronics Industry Development Barrier 'Timex' PC's for Zlotys	32 33
'Mikrosystem' Partnership Described, by Marek Formela	34
'Mikrokomputery' Director on Future Plans, Zbigniew Twardon Interview	36
Criticism of Lost Produce Export Opportunity Draws Response (POLITYKA, No 40, 4 Oct 86)	39

ROMANIA

Chemical, Petrochemical Products at International Fair (Ioan Georgescu; REVISTA ECONOMICA, 24 Oct 86)	45
Action To Increase Bank Savings Deposits (Maria Chirita; REVISTA ECONOMICA, No 43, 24 Oct 86)	52

YUGOSLAVIA

FEC Plan for Underdeveloped Republics, Kosovo Criticized (Predrag Tasic; VJESNIK, 12 Oct 87)	55
---	----

MILITARY

GERMAN DEMOCRATIC REPUBLIC

Use of Simulators at Border Troop College Cited (SCHWERINER VOLKSZEITUNG, 29 Oct 86)	61
---	----

POLITICS

INTRABLOC AFFAIRS

SDI Program, Goals Criticized, Called Threat to Existence (Wilfried Schreiber; EINHEIT, No 12, Dec 86)	63
---	----

ALBANIA

People's Council, Trade Union Officials Criticized
(Sejdin Cekani; ZERI I POPULLIT, 5 Dec 86) 69

HUNGARY

Profile of New Leadership Generation Discussed
(JEL KEP-TELEVISIO RADIO SAJTO, No 3, 1986) 70

POLAND

Soviet Army Komsomol Members Visit
(TRYBUNA LUDU, 17 Nov 86) 77

Warsaw, East Berlin Dailies Hold Joint Seminar
(ZYCIE WARSZAWY, 27 Oct 86) 78

PRON Youth Forum Discussions Described, Praised
(Zbigniew Obidowski Interview; ZYCIE WARSZAWY, 17 Nov 86) 79

PAN Directors View Research Results, Implementation
(RZECZPOSPOLITA, 16 Oct 86) 82

Teachers Union October Congress Sets Discussion Themes
(RZECZPOSPOLITA, 21 Oct 86) 83

Rzeszow Conference on Handicapped Youth, Social Policies
(Andrzej Kalinowski; TRYBUNA LUDU, 14 Nov 86) 85

Political Scientist-Journalist Comments on Video Impact
(ZYCIE WARSZAWY, 18-19 Oct 86) 86

Local Antinuclear Plan Attitudes Examined
(Cezary Trosiak; WPROST, No 47, 23 Nov 86) 87

'Stalinist' Generation Figure Recalls Personal Past
(Zygmunt Kaluzynski; POLITYKA, No 43, 25 Oct 86) 90

Briefs

Reader Responds to Article on Stalinism 95
New Social-Humanities Texts 95
Shelved Film To Be Released 95
Youth Subculture Film Still Shelved 95
Wajda Film Gets Mixed Reviews 96
Literary Needs Noted 96
Village Youth Concerns Noted 96
PZPR Educational Groups Meet 96

ROMANIA

Art as Expression of Revolutionary Humanism Expression
(Vasile Baran; ROMANIA LITERARA, No 50, 11 Dec 86) 97

SOCIOLOGY

HUNGARY

Economy's Effect on Social Structure Critiqued
(Kathrin Sitzler-Vondung; SUEDOSTEUROPA, No 7-8, Jul-Aug 86) 101

POLAND

University Inaugurates 'Open Lecture' Program
(GAZETA POZNANSKA, 23 Sep 86) 113

School Computer Education Statistics
(Stanislaw Waligorski Interview; POLITYKA, No 45, 8 Nov 86) 114

Single Mothers' Economic Needs Noted
(Zofia Krzyzanowska; TRYBUNA LUDU, 1 Oct 86) 115

Art 'Export' Situation Criticized
(Jerzy Jurczyk; POLITYKA, No 45, 8 Nov 86) 118

/7310

TRITICALE GRAIN CULTIVATION, PRODUCTION DISCUSSED

Bucharest CEREALE SI PLANTE TEHNICE in Romanian No 11, Nov 86 pp 3-6

[Article by Dr Engr Gheorghe Ittu and Dr Engr Nicolae N. Saulescu, Fundulea Research Institute for Grain and Industrial Crops]

[Text] The 1985-1986 agricultural year saw good results obtained for a comparatively new grain species in this country -- triticale -- that was grown on about 14,000 ha. Prominent among the units that capitalized on the opportunities offered by this species are the agricultural production cooperatives of Scornicesti and Colonesti, Olt County, that obtained good yields.

The triticale species, a crop evolved by man by doubling the number of chromosomes of the hybrid between wheat and rye, offers -- compared to other grain species -- a number of advantages which justify the interest it has evoked during the recent period. For instance, versus wheat and barley, triticale distinguishes itself by:

- a. Tolerance to soil acidity (toxicity produced by aluminum ions);
- b. Resistance to most widely spread foliar diseases;
- c. High nutritive value because of a lysine content which is superior to the one that occurs in wheat and barley;
- d. High production potential, due to the great number of earlets in the ear and the size of the kernels;
- e. Very good vigor of the plant.

However, it must be emphasized that the current strains of triticale also have some adverse traits, such as: defective filling of the kernels, inadequate resistance to drop, sensitivity to ear germination in case of long falling rain during harvesting and sensitivity to fusariosis.

Crop Zoning, Location

From rye triticale inherited its capacity to tolerate soil acidity better than wheat and barley do; therefore the triticale crop stands greater chances of success than these crops on acid lands (with a pH that is lower than 5.5-6) where the growth of the radicular system of wheat and barley is hampered, a fact which prevents full manifestation of their production potential.

Based on the experimental results obtained so far, the current triticale strains versus wheat averaged the highest kernel production yields on podzol soil in the hilly area, with more humid and cool climate in Transylvania, north-western Romania, northern regions of Muntenia and Oltenia and northern Moldova. In these areas, triticale can replace approximately 30-40 percent of the wheat crop and the barley crop, and this will permit expanding the new species on approximately 160,000 ha.

Further, like rye, triticale better tolerates sand soils; but, in light of the shortage in terms of hydric level and high temperatures on sand soils, good results in these areas can be obtained only with earlier triticale strains.

Hence, the triticale crop must be mainly located on the lands where, usually, rye yielded better results than wheat; to be avoided are the floodlands and lands with excessive moisture, because, due to the quicker rate of growth in springtime, triticale may be strongly affected.

Considering that the optimal planting period for triticale occurs 3-5 days before the one for wheat, the precursor crops must be selected in such a manner as to permit planting in the optimal stage; since current triticale varieties are sensitive to fusariosis, one must avoid location aftercrops of straw cereals or corn, that involved a high level of onslaught of this disease.

Technological Features

Triticale has superior vigor and a better developed radicular system than other grain crops, and this enables it to make better use of soils with a lower natural fertility potential; however, the obtaining of high outputs is not possible without corresponding provision of nutritive factors. Because the currently evolved triticale strains are taller and less resistant to drop than the cultivated wheat strains, growers should use a balanced and moderate fertilization with doses between 40 and 90 kg/ha P₂O₅, in light of the phosphorus contents of the soil and of 60-100 kg/ha N, in light of the precursor plant and the humus content of the soil; it is necessary to use a fractional application of nitrogen fertilizers: about one-third in the fall and two-thirds in springtime.

Although as a new species it is less processed by melioration, triticale already encompasses a broad genetic variability among strains, so that one can no longer speak of general characteristics of the species, but of characteristics of the strains. Two varieties are now being cultivated: TF 2, evolved at the Fundulea Institute for Grain and Industrial Crops [ICCP] and homologated in 1985 (already grown on 11,849 ha) and the Soviet strain AD 206 (grown on 2,452 ha). The Vladeasa strain, developed at Turda Agricultural Station and homologated in 1986, will start being expanded this year.

The TF 2 strain has a high tillering capacity and a rapid growth rate in spring-time; the plant's height is 110-120 cm. The ear is large, aristate, white and nutant when mature; the kernel is light red, large, ovoidal, presenting asperities on the tegument's surface, with MMB of 44-50 g and MH of 65-68 kg/ha.

Its resistance to frost, in artificial testing in phytotron proved to be under-average, and the hibernating capacity on the field was average, and this is why it is not recommended for the areas with severe winters. It ears at the same time as the early wheat strains but matures 3-4 days after the medium wheat strains. It is sensitive to drop and intense heat; it has good resistance to mildew, yellow rust and black rust, *Septoria tritici*, but is sensitive to *Septoria nodorum*, fusariosis of ears and is moderately sensitive to ear germination; it is just as tolerant as rye to the toxicity from aluminum, which is characteristic of acid soil.

In multiannual tests, in the network of the Academy of Agricultural and Forestry Sciences and of CSIOS [not further identified] in the areas with acid soils, it involved production performances that were 10-15 percent superior to those of the best wheat and rye varieties homologated for these areas. On sand soil the kernel outputs for the TF 2 strain were, on the average, on a par with those of the best wheat strains or slightly higher. Generally, the TF 2 strain yielded better productions under conditions that were unfavorable for wheat and lower productions under conditions of drop, intense heat or frequent rains in the second half of the period of kernel filling.

The Vladeasa strain has features that are similar to those of the TF 2 strain but is better adapted to the hilly area of Transylvania.

In the areas with harsher winters and specifically in the hilly region of northern Moldova, recommendations focus on cultivating the Soviet strain AD 206 which, although taller and less productive than the other strains, has so far been the most resistant to hibernation.

Still being tested are a number of future strain lines, obtained under the melioration programs at ICCP Fundulea and at the Turda Agricultural Research Station, which involve a clear genetic progress over the current strains as to resistance to drop, kernel filling, resistance to germination and to low temperatures, facts which will be instrumental in improving the range of strains that will be grown for this species.

Since the current triticale strains are more tolerant to viroses they must be planted before winter wheat, so that until the advent of winter they may accumulate 500-650 thermal degrees; however, one must avoid too early planting, especially for the strains that are less resistant to hibernation, in order to prevent plant sensitization to frost.

In light of the high tillering capacity and the lower resistance to drop, the amount of seed used must ensure 450-500 germinable kernels/sqm; special attention must be paid to correct calculation of the seed quota, depending on the germination of kernels which, in years with rainy weather during harvesting, may involve low levels. Even though the current triticale strains are resistant to smut, it is recommended that seed treatment with FB 7 (2.5 kg/t) be applied to prevent fusariosis, the attack of wireworm and humpback bug.

Because triticale generally is less tolerant than wheat to the phytotoxic effect entailed by incorrect application of herbicides, it is very important to exactly use the doses and the period of application of these doses, in accordance with the directions existing for wheat.

A deficiency manifested in all the cultivated triticale strains involves sensitivity to ear germination, in case of repeated rains during maturity; therefore, although resistance to shaking, generally, is good, harvesting must not be delayed after the kernel moisture has reached 16-17 percent.

For seeds one must select the lots that were not caught by rain during maturity, and seed production must be concentrated, as far as possible, in areas with lower frequency of rain during this period. In collecting the seed lots special attention must be paid to adjustment of combines in order to avoid breaking the kernels, which are larger and more friable than wheat kernels, and in seed conditioning the aim will be by gravimetric selection to remove the seeds affected by fusariosis, germinated seeds or very shrivelled seeds.

Use of Production

The results obtained here so far and the experience of some countries that already cultivate triticale on larger areas point out that this crop may have multiple uses for kernel production for the bread industry and other products turned out by the food industry and also for the production of stock feed and ensilaging.

The pilot tests show that if triticale flour is used for bread production, by employing the existing bread technology for wheat, the bread obtained is of a low quality; in a mixture with 70 percent good quality wheat flour, triticale flour can yield bread similar to that out of wheat. By using a modified technology, which is typical of obtaining rye bread, triticale flour can yield qualitatively adequate bread. In some countries triticale kernels are used to make popped products, bakery products, and the like.

However, the best use of triticale production has proved to involve stock feeding. As concentrated feed, triticale can be successfully used in the feed of hogs and fowls because of its lysine contents that are higher than those in wheat and barley (on the average 3-3.5 percent of proteins) but the protein level in kernels varies between the same limits as in wheat (12-15 percent).

Very good prospects are involved in its use as fodder through harvesting in the milk-wax stage; triticale ensures 35-40 t/ha of stock feed (10-15 t/ha s.u. with 11-12 percent proteins) having good nutritional value and can be immediately used in animal fodder or can be ensilaged under good conditions. Good results have also been obtained by its utilization as stock feed harvested at the end of April, after which, in the years with adequate precipitations, the crop regenerates and it is possible to obtain one more silo or even kernel harvest.

Based on the intensive research being conducted now for development of new triticale strains and for improvement of cultivation technologies, this new species will be instrumental in boosting grain output in this country.

11710
CSO: 2700/121

DIVERSIFICATION OF PRODUCTION STRUCTURES IN 1986-1990 PLAN

Bucharest REVISTA ECONOMICA in Romanian No 48, 28 Nov 86 p 28

[Article by Cornelia Iorga]

[Text] Albanian economic growth, under the current 1986-1990 Five-Year Plan, in line with the guidelines endorsed by the recent Congress of the Albanian Labor Party, involves a marked acceleration of the development rates, concurrently with the structural diversification of the output in the key branches, in the context of preponderantly intensive expansion and swifter integration of technological advancements.

A review of the accomplishments obtained under the 1981-1985 Five-Year Plan spotlights a number of positive results in several basic areas of material production. On the macroeconomic level the rates recorded were moderate. The following increases were noted for the overall five-year plan: the social product, 18 percent; the national income, 16 percent; capital investments, 14 percent; consumption fund, 15 percent. As it emerges from the official documents, these results reflect the influence of some major difficulties and losses, caused by a succession of very adverse meteorological and climatic conditions and other natural calamities. However, industrial production as a whole went up 26 percent, an increase that is higher than planned in the above-mentioned overall indicators. In this context, significant rises were noticed in several sub-branches of the following industries: mining, primary processing and energy (coal, 48 percent; natural gases, 38 percent; copper ore, 37 percent; electric energy, 46 percent), and machine building (54 percent).

Characteristic of the 1986-1990 Five-Year Plan is outlining of goals for raising the social product and the national income over 30 percent, representing almost double the levels in the prior period. It should be stressed that unlike the prior five-year plan, this five-year plan expects that the national income will increase more than the social product, with the relative reduction of materials expenditures being a general expression of the shift to intensive development.

The guidelines endorsed in the industrial area, for the overall five-year plan, focus on ensuring rapid increases (on the average 30 percent higher for the means of production), in the first place by capitalizing on the existing facilities, which will be expanded, reconstruction and modernization. Moreover, provisions also anticipate putting up new industrial facilities, based on domestic energy sources and raw materials, on full and complex utilization of these resources.

For the purpose of promoting the process of development and diversification of the processing industry and ensuring an energy basis that meets the economic needs, geological surveys, specifically, will be stepped up in order to discover new deposits of oil and gas, coal and other useful minerals. Consequently, significant rises are anticipated in outputs of the mining and primary processing industries in 1990, versus the level for 1985. For instance, crude oil output will go up 33-35 percent and the natural gas output will increase by a factor of about 2.5. The 42-44 percent increase in the coal output will be primarily focused on substitution of liquid fuel. As for the electric energy production, where an increase that is far greater than that in the other industrial branches is expected, respectively 70 percent, provisions involve structural improvement for types of power stations, with clear emphasis on hydroelectric power stations.

In the metal ore and other mineral mining industries provisions involve the fulfillment of an investment program focusing on the rapid implementation of more efficient technologies, growth and diversification of production in this area being equally motivated by domestic need and the requirement of increasing exports. At the level of 1990, versus 1985, there will be increases in the production of chromium (33-35 percent), and iron-nickel (27-29 percent). More attention is being paid to the mining of nonmetal minerals such as phosphorite, halite, magnesite, marble, bauxite, and so forth. Ferrous and nonferrous metallurgical industries will focus on enhancing the processing level for maximum utilization of the useful ore contents. The output of the chief metals, respectively rolled steel and blister copper, will go up 30-32 percent and 34 percent, respectively.

Among the branches of the processing industry, the chemical industry involves great headway: a rise of 46-48 percent in production, anticipated for this five-year plan, higher than the average one for the overall industry, is significant for the structural shift in favor of processing branches. Prominent among the concrete goals of the chemical industry is faster rate in the productions for agriculture, respectively the fertilizer and pesticide outputs.

The diversification of the range of products and improvement of quality are basic tasks for the machine building industry as well. By using domestic-made steels this branch, besides meeting greater needs for spare parts and large-scale structuring of reconditioning of these parts, must ensure the production

of particular categories of complex machines and outfits, especially for the retooling and modernization of existing enterprises in various branches, but also for fitting new facilities.

As stated in the official documents, the consumer goods industry will develop rapidly, aiming at better meeting the growing requirements of the population and at doing away with a relative lag noticed in this area. Matters of structural diversification are coupled with matters of improvement in quality in all consumer goods making subbranches. The output of furniture, household metal goods, glass and ceramic item will grow at rapid rates. The focus in the textile, footwear and other industries is on optimalizing the use of natural and man-made materials.

Agriculture, a very important economic sector, will increase its overall output by 30 percent. The process of structural improvement of production, which, moreover, has manifested itself as strategic orientation also in the prior five-year plans, will continue through the more rapid growth of animal husbandry and industrial crop cultivation. The average grain output will go up 20-22 percent; the priority task in corn growing involves a significant rise of about 38 percent in the per hectare yield. In livestock breeding priority will be given to increasing the numbers for all the species of animals and fowls, improving the breeds, also enhancing the effort for the optimal combination of intensive animal raising systems with existing systems.

Technical crops continue to be the center of attention, one of the guidelines specified in the program documents involving the 90-92 percent rise in the production of tobacco through expanding the cultivated areas and the yields. Increases that are above the average for overall agriculture also are anticipated for the production of grapes and citrus fruit (more than 40 percent) and olives (over 50 percent). The promotion of the program for the development and diversification of agriculture involves further implementation of measures for bringing new farmland into cultivation (this five-year plan will see the clearing of areas totalling 20,000 hectares), expansion of irrigated areas (by 60,000 hectares) and completion of other projects for conservation and improvement of land resources.

In line with the guidelines endorsed in regard to the size and structure of the production of the major industrial and agricultural subbranches, the program of investments and capital constructions will focus on achieving the paramount goals in the sphere of material production. Out of the investment funds about 42 percent will be assigned to industry and 31-32 percent to agriculture.

The increase in the economic potential and the diversification of production structures in Albania's economy under the 1986-1990 Five-Year Plan will impact foreign exchanges, whose value amount will go up, versus the level for the prior five-year plan, 33-35 percent. Ampler growth is anticipated in the case of exports.

The relations of friendship and cooperation established between the Romanian and Albanian peoples as far back as in the historical past have developed under people's power, on the basis of respect for the principles of national independence and sovereignty, noninterference in internal affairs, and mutual benefit. Economic cooperation has grown: trade volume has doubled under the prior five-year plan and is currently increasing significantly. Further development of Romanian-Albanian cooperation unfolds in the interest of both peoples, of strengthening the friendship between them, and to the benefit of the cause of socialism, peace and international cooperation.

11710

CSO: 2700/123

TRANSPORTATION PLANNING FOR 1986-1990 OUTLINED

East Berlin DDR-VERKEHR in German Vol 19, No 12, Dec 86 (signed to press 14 Oct 86) pp 354-355

[Article by Otto Arndt, GDR Minister for Transportation: "Rationalization of Transport, Transshipping and Storage Processes--An Important Contribution to Realizing the SED's Economic Strategy"]

[Text] A qualitatively new phase in the further shaping of the GDR's developed socialist society was introduced with the resolutions of the 11th SED Congress. The goals, which are the basis of the "Directive of the SED's 11th Congress to the Five-Year Plan for the Development of the GDR Economy from 1986 to 1990," are directed at a high rate of economic growth. To do this, a high-level dynamic of economic growth, productivity and at the same time efficiency must be guaranteed in all sectors of the economic reproduction process.

The new phase of intensively expanded economic reproduction requires rapid development of quality and efficiency of social work through linking the scientific-technical innovation processes with the broad application of the scientific organization of work. This is inseparably linked with the economically efficient use of the social capacity for work.

At the same time, the living and working conditions of the workers must continue to be systematically improved. Key points are the reshaping of jobs which have a high level of physically heavy, manual and monotonous work and of improving conditions for shift work.

This general set of tasks basically also applies to the totality of the transport, transshipping and storage processes (TUL processes) in the public transport system and in industrial combines and enterprises, construction, agriculture and forestry, trade and all other sectors.

Making significant forward progress in realizing this assignment, which is important for protecting the unity of economic and social policy, is a priority concern of the Third National TUL Conference which will take place on January 7 and 8, 1987, in Berlin, the capital of the GDR. The motto of this conference: "Through new technical and technological

solutions for transport transshipping and storage to efficient economic cycles of goods--a contribution to realizing the objectives of the 11th SED Congress" reflects the consistent reliance on comprehensive intensification of social production, especially through higher economic and social effectiveness of science and technology. On the basis of the increasing integration of production with the intraenterprise TUL process and the transport processes in the public transport system, good results in comprehensive rationalization are thus being realized and directions for productive work in realizing the resolutions of the Congress are being established.

For this reason the initiatives of the task force (Z) for rationalizing transport can be positively assessed in the presidium of the KDT [Chamber of Technology] and the Scientific Section for Goods Transport in the professional association for vehicle construction and transport; with the preparation and implementation of the Third National TUL Conference, these initiatives have again created a central professional forum which is unique in the GDR.

Numerous staff workers in the transport system actively participated in preparing for the TUL conference. This also happened with the knowledge that the tasks assigned to the workers in the GDR transport system can only be successfully solved in the necessary close linkage of the transport system with the production consumption sector is constantly shaped more efficiently.

Rationalizing transport, transshipping and storage processes within the enterprise and externally is thus directed at high stability and continuity, at developing capacity, which is appropriate to meeting demand, with simultaneous reduction in the costs of the economically based transport, transshipping and storage processes. By lowering transport costs, it is possible in all sectors of the economy to contribute effectively to decreasing production consumption and thus increasing national income.

As is generally known, in preparing and implementing intraenterprise transport, transshipping and storage processes--ITUL processes--there are also substantial productivity and efficiency reserves. Compared to primary processes, the costs are viewed as being disproportionately high. In various sectors of the economy, up to 15 percent of the production personnel is used to handle ITUL processes; this observation does not include the ITUL processes within flexible and fixed production systems, the so-called processes which are internal to the system. Compared to the primary production processes and even on an international comparison, the degree of mechanization and automation of ITUL processes must be assessed as still being too low. In part, up to 50 percent of ITUL processes are still done completely manually.

The reasons why the technical and technological level of ITUL processes is not in keeping with requirements are primarily due to the fact that, up to now, the necessary technological unity between primary and secondary

processes could not be recognized and because of the existing reproduction conditions could not be implemented.

This resulted in high demands on the capacity of the storage and stowing capabilities between the processes internal to the system and ITUL processes on the one hand, and between ITUL processes and transport processes in the public transport system on the other hand.

This resulted in long holding periods for raw materials, semifinished products and finished products in these warehouses and consequently in increased costs. Therefore, developing ITUL systems into an integral component of total processing control in the combines and enterprises of the economy is required. If rationalization of ITUL processes is understood in this way, work time and jobs can be saved, and labor forces can be freed for other tasks. The cost of making them available only amounts to about 30 to 50 percent of what would be necessary to release a labor force in the primary production processes. Thus, significant impacts are possible. Rationalizing ITUL processes can become a primary source for increasing work productivity in industry, construction, agriculture and forestry, trade and the other sectors, and can substantially reduce their initial costs.

The directive to the five-year plan for the period 1986 to 1990 requires a 3 to 3.5 percent annual decrease by 1990 in the specific transport costs of the economy, calculated in terms of a unit of national income. This is a very demanding objective. In addition to more efficient and effective shaping of ITUL processes, it basically requires even in the extra-enterprise transport, transshipping and storage processes, thus in public goods transport, realizing the economically-based transport requirements by further reducing specific costs for energy, material, work time and costs on the part of the workers in the transport system and their cooperative partners. This demands even closer integration of production and transport through the use of new efficient methods of optimizing transport and the gradual establishment of computer-assisted production-transport links.

In the five-year plan period from 1981 to 1985, there was success in realizing an optimizing effect of an almost 10 billion tons/km saving in transport capacity through the use of traditional methods of optimizing transport. Substantial contributions to this were made by the results of optimization in the transport-intensive sectors:

--construction	1,500 million t/km
--ore mining, metallurgy and potash	800 million t/km
--chemical industry	600 million t/km
--coal and energy	500 million t/km
--agriculture, forestry and foodstuffs industry	240 million t/km

On the basis of the positive experiences in the first stage of expanding the production-transport link for iron ore, the issue now in the period up to 1990 is concentrating the gradual build-up of computer assisted

production-transport regimes in the branches of the economy and in the transport system on the following:

- additional transport-intensive flow of goods with a degree of integration which cuts across industries; and
- projects involving flexible automated production with transport, transshipping and storage costs in the previous and subsequent process stages.

The following central projects with great economic efficiency and significant technical degree of renewal are, of course, in the forefront: solid fuels, heavy additives, liquid fuels, iron ore (second stage of expansion), cement, mineral wool, phosphate, sugar, motor production, floatglass.

The success of these projects will depend on the degree of success in

- consistently linking the technological renewal of production for further improving the products in the manufacturing sectors of the economy with the modernization of transport, transshipping and storage technology;
- wholly controlling the processes through close cooperation of the transport system with the other sectors of the economy;
- developing, in a manner appropriate to demand, the material-technical basis especially where the processes internal to the system and ITUL processes interface on the one hand, and where ITUL processes and the extra-enterprise transport processes interface on the other hand; and
- through the transport system itself guaranteeing high quality in transport implementation and sufficient capacity to meet demand.

This characterizes the responsibility of the transport system workers in the general rationalization of the transport, transshipping and storage processes which cuts across industries.

The railroad in particular, which controls approximately 80 percent of the goods transport capacities in public domestic goods transport, assumes a prominent role in this. The measures for developing the transport system in a manner to meet demand are, therefore, aimed primarily at the railroad as the backbone of the national transport system. For example, for reliability and achieving the economic objectives of gradually expanding the production-transport links, it is essential that stable and continuous transport relations be guaranteed in respect to availability of transport space, which is timely and meets demand, adhering to transport times and assuring quality.

Priority development of efficiency in the railroad is also the most important prerequisite for further developing efficient division of labor between the carriers. At the same time, goods transport is being shifted to inland waterway shipping to relieve the railroad. Public vehicle traffic is yielding transports to the railroad and inland waterway shipping and assuming additional sales and delivery transport in factory transport using vehicles. Factory transport with vehicles will in the future only realize special technological transport which is production-based as well as transport which is typical of an industry.

Container and pallet transport will be further expanded in order to rationalize the economic transport, transshipping and storage processes. The material-technical basis of the transport systems will be significantly strengthened primarily through reconstruction and modernization, increased use of key technologies, automation of entire technological processes, and a substantial increase in the production of its own rationalization means.

Also of special importance is the fact that in the process of rationalizing TUL processes, the links between subsystems of transport, in addition to their physical character, develop to an increasingly stronger degree their informational character with the further integration of production and transport. Studies show that the technical, technological, organizational, economic and legal conditions in the interfaces between ITUL processes and public goods transport required new deliberations about their physical and informational shaping during a medium- to longer-term period. It is now clear that a priority task of the interfaces will be gathering, processing and passing on data via the flow of goods which passes through the interface. Computer-assisted data gathering and transmission will experience a comprehensive range of application.

In the short run in interfaces, it is primarily a matter of efficient utilization of all available capacities following the example of Haldensleben Kreis.

Solving the comprehensive, economically important tasks of rationalizing the transport, transshipping and storage processes requires new kinds of economic and scientific cooperation between the transport system, the economic sectors, the advanced technical schools and the other scientific institutions. For this purpose, the Central Research Institute of Transport (ZFIV) was given the management function for new technology and equipment for rationalizing goods transport. It is primarily a matter of more rapidly accelerating rationalization of the transport, transshipping and storage processes by utilizing the achievements of the scientific-technical revolution, in particular key technologies.

The Third National TUL Conference will make an effective contribution to this. The careful substantive and organizational preparation for it, and the very promising lectures in the plenum and in the three sections justify the expectation that the 600 participants will not only be offered a varied, high-quality program, but also that as a result of the conference, all participants will have received a uniform direction, effective instruction for action in their specific sector of responsibility. The three sections will focus on

- reducing TUL costs in the enterprises through application of key technologies;
- reducing costs of extraenterprise transport as a link between production and consumption; and
- rationalizing the technological preparation of TUL processes.

We are particularly interested in section two which will concern itself with the priority tasks of integrating transport system into the production and consumption sectors.

The overlapping character of the tasks to be solved in rationalizing TUL processes must, especially in this section, be the starting and ending point of all deliberations. It must always be kept in mind that the responsibility of all workers who, on a scale reflecting the entire economy, are familiar with the tasks of transport, transshipping and storage, steadily increases with the further shaping of the developed socialist GDR society and its essential dynamic growth. It is our job to meet this responsibility.

I am certain that the members of the KDT, scientists and transport experts will respond with new initiatives to the resolutions of the SED's 11th Congress.

The fact that the Third National TUL Conference will take place in the 750th year of the existence of Berlin, the capital of the first socialist state on German soil, in the city of peace, should be viewed as an additional high demand for achieving the best possible conference results. With this in mind, I hope that the Third National TUL Conference will run successfully.

12124/9190
CSO: 2300/131

SEJM COMMITTEES REVIEW DRAFT FIVE-YEAR PLAN

Domestic Trade Committee Objections

Warsaw RZECZPOSPOLITA in Polish 12 Nov 86 p 5

[Text] Time is pressing. But the need to make final decisions on the National Socioeconomic Plan (NSP) for the already current 5-year plan in no way weakens the deputies' discussions. This was proven at yesterday's meeting of the Sejm Commission on Domestic Market, Small-Scale Production and Services, which was supposed to again examine and formulate a final opinion on the draft NSP for 1986-1990 as regards domestic trade and services.

At this meeting the deputies proved to be very familiar with the document submitted to them for evaluation. For the most part, their statements were critical, very detailed and very specific. All of the inadequacies of the plan being offered were discussed. Attention was called to the conflict of the general slogans with the detailed provisions, and additional information on finances, the budget and investments was requested.

Many deputies warned against the excessive optimism, in their opinion, of the NSP. In past long-range plans, it was said in the discussion, it was envisaged, as a rule, that a higher degree of economic balance would be achieved than actually occurred. Also, almost always, the final years of the 5-year plan were planned more optimistically than the first years, which resulted in official corrections and revisions to the plan.

But the main charge was that the information in the NSP does not explicitly answer the question of the anticipated state of market balance. There is no attempt to describe the problems that exist in this field. Nor are there even any abbreviated assumptions as to personal incomes and expenditures. How the main income and expenditure items will grow is not known.

Fears and doubts increase as all of the proposals which are directly related to the supply of goods and services and to investments are examined in greater detail. As the deputies showed by the use of figures, despite the verbally promoted pro-market orientation, the draft NSP retains all of the past investment ratios, while the market industries have relegated them to lesser importance. It is characteristic, it was said, that although outlays for light industry will increase 38 to 48 percent, for electrical machinery by 26

to 38 percent, and for trade by 8 to 10 percent, outlays for the metallurgical industry will go up by 87 to 108 percent. In the long list of central investments, only three of a market orientation can be found.

The modest growth of consumption, on the order of 1.7 to 2.4 percent per capita, is not as disturbing as its obsolete structure. In the next 5 years, the deputies concluded, the dominance of costs of industrial articles in the structure of food consumption will not change, and this will leave us in the group of economically poorly developed countries.

A large number of comments were also directed at planning in small-scale manufacturing. It was underscored that the accepted indicator of production growth, an average of 4.6 percent annually, is in direct contradiction to the program for development of small-scale industry approved by the government in June. It foresaw a 9 percent average annual development and a 15 percent share in the economy, while the draft NSP envisages only 12.6 percent.

As a result, the Domestic Trade Commission deputies added many conditions to their decision to recommend approval of the draft NSP. The principle conditions were proposed by deputy Jan Mieloch; these were expanded and augmented during a later discussion. Most briefly, they require that explanations of everything be made, that the government, during the implementatin of the NSP, police the consistency of the changes being made in social policy, and it give more consideration to economic realitites than in the past. In addition, it was demanded that the Sejm increase control over implementation of the NSP and a resolution was passed that the government make a special effort to improve the situation during the course of implementation. The following deputies, among others, took part in the discussion: Alojzy Bryl (SD), Jan Mieloch (PAX), Krystyna Zielińska (PZPR), Krystyna Czubak (SD), Danuta Kubik (ZSL) and Jozefa Palmowska (PZPR).

Industry Committee on Development Plans

Warsaw RZECZPOSPOLITA in Polish 12 Nov 86 p 5

[Text] When the Industry Commission gave its opinion on the variants of the assumptions of the NSP for 1986-1990, the discussion taking place during the development of its final position was described as lively. How and in what directions industry develops will, in the last analysis, determine the success of the plan, and not just on the economic plane. The temperature during the discussion which took place on 11 November, when an opinion was being formed on the final draft of the plan, was even higher.

As to the strategic goals of the plan, all of the deputies and government representatives were in agreement: In the current 5-year plan the economy should be provided conditions for balanced development. Agreement was also reached on proposed structural changes. The controversies became apparent when the discussion went into details.

The plan gives priority to development of the electrical machinery industry--the impetus for structural transformations.

That is what the plan provides and that is what the percentage indicators of production growth show. But at the same time, as the deputies noted, these increases are half of what had been planned for the fuels-energy industry. Although Jerzy Gwiazdzinski, deputy chairman of the Council of Ministers Planning Commission, argued that this is necessary because almost the entire increase in energy must go to the municipal users, he was not fully convincing.

These indecisions became apparent when plans regarding metallurgy were examined in greater detail. Priorities for development of specific branches of industry were established. They include larger deliveries to the marketplace and more attractive trade offers. Modern metallurgical materials are needed and there must be a halt to disinvestment. In the opinion of many deputies, the program presented does not ensure that this goal will be reached, at least not by 1990.

Minister Janusz Maciejewicz said that all of our problems cannot be solved with one 5-year plan, and that is why some of the needs of industry will not be met during this one. In his opinion, modernization of the steel mills, and as a result, improvement in the quality of many products, application of scientific-research findings which are to a large extent covered by government orders, and enterprise measures to update their products, should ensure that the savings program will be fulfilled.

The following deputies, all PZPR members, took part in the discussion, which was chaired by deputy Stanislaw Opalko: Tadeusz Ryczaj, Kazimierz Fratczak, Barbara Polanska, Ryszard Czyz, Jan Dombkowski, Kazimierz Czupisz, Aleksander Zieman, Roman Menczewicz, Bogdan Musiol, Stefan Gregula, Kazimierz Cierniak and Stanislaw Baraniak.

Mining, Energy Committee Questions Goals

Warsaw RZECZPOSPOLITA in Polish 12 Nov 86 p 5

[Text] If the supply and demand of fuels is not balanced, there will be no development in our economy, and especially intensive development. Two courses of action were defined in the draft NSP which are supposed to ensure this balance to the economy. The first is expansion of the fuels-energy complex, thus giving a 12-million ton increase in standard fuel. The second is implementation of a savings program correlated with a program of changes in the structure of production, which together should bring about a 22-million ton reduction in consumption of standard fuel in 1990.

The government's decisions were discussed at a meeting of the Sejm Commission for Mining and Energy on 11 November.

The deputies demand that investment outlays for hard-coal extraction be increased was given consideration in the NSP draft. But the deputies regarded the provision that profitability be restored to the coal mined by adapting coal prices to real extraction costs as being difficult to implement, from the social standpoint, because this would result in a large growth in prices.

The fuels and energy savings program received most of the criticism because of the Supreme Chamber of Control reports on the results of application of energy-savings design and technological measures in scientific-research centers. It appears from these reports that the results achieved during 1981-1985 were incommensurately low in relation to the outlays.

Money was wasted and valuable time was lost, said deputy Stanislaw Kamieniarz, underscoring the fact that mere willingness to save is not enough. If the program is to be successful, industry must be given energy-efficient machinery and equipment and have access to state-of-the-art technology. And this is simply not available. To say nothing of the economic instruments which would compel producers to look for cheaper solutions.

The majority of the deputies shared this opinion, as well as the fears about the realism of the program to reduce energy consumption in this 5-year plan. The fears are even greater because there is no answer in the NSP draft to the important question posed by deputy Marian Sokolowski: What will happen if the envisaged results are not achieved?

9295
CSO: 2600/208

LABOR BRIGADE SYSTEM DISCUSSED AT RZESZOW CONFERENCE

Merits of Brigade System Viewed

Warsaw ZYCIE GOSPODARCZE in Polish No 45, 9 Nov 86 p 6

[Article by Edward Wrobel: "Worker Partnerships"]

[Text] Group forms of work organization, or more precisely, what they are and how they are popularized and applied, were the subject of a nationwide, 2-day conference in Rzeszow, arranged by the PZPR CC Economics Department, the party voivodship committee and the local chapter of the Scientific Society of Organization and Administration. Representatives of 97 workplaces, secretaries of party voivodship economic committees, 20 scientists, and representatives of six ministries, came to Rzeszow for the meeting. Such groups, also called autonomous labor brigades or worker partnerships, have existed throughout the world for a long time. In Poland, these kinds of production groups began to be formed during 1984-1985. They are usually responsible for increases in productivity and wages on the order of 20, 30 and even 50 percent. But we must add immediately that naturally these increases are not as large abroad. Poland's successes in this area are due basically to all of the faults of our economy and mainly to our general extravagance and inept organization.

Briefly, these worker partnerships function as follows: A group of workers is entrusted with a production assignment and the entire group decides how this assignment will be fulfilled. It has been determined that it is best if the group numbers from 6 to 12 people, because smaller groups are generally inefficient and larger groups have difficulties with coordination. But technological conditions decide the size of the group, which means that even 35-man partnerships work well.

In the structure of an enterprise the group is autonomous, based on an agreement entered into with the factory management. The agreement contains specifics about the production tasks, their deadlines, indicators of quality and material-consumption, the duties of the management insofar as supplying the group with means of production, and also direct confirmation of the group's autonomy in deciding its composition, how its leader is chosen, the planning and division of tasks, and the working time and speed.

And finally, wages: All members of the group work towards a common fund and

then divide all or part of it according to the principles negotiated with the management and the criteria which the group set for itself. In any case, the amount of the wages is determined by group effort and result, and this seems to create a completely new situation. Namely, that maximum utilization of time becomes normal, that those who are more advanced professionally help the younger ones, that everyone in the group makes the work easier for everyone else, that everyone is seeking out work and is strongly attached to what he is doing.

On the other hand, such a group becomes a true partner of the factory management. Not only does it have to unfailingly supply the group the materials, tools and power needed to produce the agreed-upon goods, but it must give much more serious consideration than heretofore to what the leader or spokesman for this group says about this production and its predeterminants in behalf of his people. This may tend to make us stop overusing such large-scale concepts as "working class," "technical intelligentsia," "professional circles," and become interested in what an individual thinks about his work, what draws him to it and what repels him from it.

It is felt that under Polish conditions the application of this system, and even more its success, will depend on putting time, materials, tool consumption, and in some sectors, energy standards, into order. Also, the job-cost method should be instituted instead of the universally used and oversimplified surcharge method. This is extremely important because the work brigade is responsible for only part of the production.

In those enterprises, here and abroad, where autonomous-group forms of work organization are functioning on a large scale, the growth of economic efficiency is indisputable. True, replacement of production-line technology with job-group methods involves outlays and initially job costs are higher, but elimination of emergency stoppages, reduction of number of supervisory and control personnel, decline in guarantee costs, and more efficient and easier production--all improve the enterprise's general ledger sheet. Labor productivity increases and product quality improves, which has a direct and good influence on wages. The workers themselves are careful about discipline and in most cases various types of accounting personnel become superfluous.

There are also other, more imponderable advantages to the new system. The work becomes more interesting, more diverse, facilitates use of initiative and skills, and the management method becomes more democratic. A person feels needed and appreciated, and this in turn propels him to better work. The following disadvantages are cited: All of the weak (including older people or those not as healthy) are eliminated, there is a reluctance to include those who have other duties in the factory--social, for example, and the employer may take advantage of the situation to incite unhealthy competition among groups. In the West it is said that this system leads to a reduction in employment, and therefore to unemployment, but this really does not apply to us. More worrisome may be the fact that moving to a collective form of work organization always carries with it lesser or greater outlays. Enterprises which are not doing as well are not always able to cover such expenditures, although they are the ones that need the changes the most.

Group job-work is not something new in Poland, but this form of work motivation has not developed here mainly due to our strongly centralized system of management, which deforms the economic mechanism and breeds bureaucracy and favoritism. Now, despite the progress made in economic reform, an obvious obstacle to more extensive use of group forms of work is the traditional method of thinking on the part of some of the cadre, which either fears for its own prerogatives in connection with the wage autonomy of the groups, or sees the whole matter in the context of difficulties and not benefits. Possibly the popularization of this new form of work organization would gain speed if the enterprises operated under economic compulsion. Anyway, as was determined in Rzeszow, job certification and review of structure requires this same compulsion.

Group forms of work organization have this rare quality: They combine two functions—efficiency and humanization. The enterprises, as a result of the imbalance and imperfection of the system, have really not had to seriously concern themselves with the external factors for improving their bottom-line figures, gaining economic satisfaction in various games with their surroundings. But if the rules of these games are made more stringent, a "look inside oneself" will become necessary. And then we shall see how valuable the autonomous worker partnerships are.

Participants Share Experience, Views

Warsaw TRYBUNA LUDU in Polish 25-26 Oct 86 pp 1,2

[Article by Krystyna Sonntag and Mieczyslaw Wodzicki: "How To Do Good Work"]

[Text] Further indispensable progress in management efficiency forces us to seek and institute new forms of work organization in enterprises. These include group forms of work organization and wages. They were discussed at length on the second and last day of the nationwide conference which took place in Rzeszow and was devoted to need for and prospects of organizing worker partnerships in industry.

Stanislaw Czech, voivodship committee secretary, spoke of the rich history of worker-partnership organizing in Rzeszow Voivodship. Where these new forms of work organization exist, he said, the relationship between the quantity of work and the size of wages is closer than elsewhere. The brigade systems are a further development of the idea of workforce self-management and another step in the process of the humanization of work. The experience in Rzeszow thus far shows that the development of group forms of work should definitely be accelerated.

There are factories where the "old brigades," which embody certain elements essential to worker partnerships (e.g., joint division of earned bonuses), are being improved, especially by increasing their self-dependence and making them more responsible for the work that they do.

Those attending the conference were able to acquaint themselves with the achievements in this field of eight workplaces. The leading ones include: Transportation Equipment Plant, County Communications Administration-Mielec;

Transportation Equipment Plant, County Communications Administration-Rzeszow; INSTAL and GEOKART, Rzeszow; PREDOM-ZELMER, and UNITRA Radio Factories.

The Mielec plant has the most experience in this field, for it has 724 autonomous brigades (including three 100-man ones). They cover 70 percent of the production workers. At INSTAL almost 87 percent of the workers in basic and auxiliary production are organized in 194 autonomous brigades.

Discussions in four problems groups were very fruitful. The role of the party organizations and the trade unions in popularizing the worker-partnerships was discussed. The economic and organizational aspects of their functioning were considered. Henryk Martyniuk described an interesting concept of worker-partnership functioning. It envisages application of the concept in stages and points to the need for improving the groups after 3 to 4 years of operation. The author of the concept stressed that it is necessary to establish different rules in the organizing of each brigade. A single standard cannot be applied to each group. On the other hand, the main principles and rules for organizing a brigade are the same. These are: The number of people in the brigade, how they are selected, how the group leader is chosen, payment for unit of production, working out a brigade production-planning and accounting system, etc.

There would be more worker partnerships in factories were it not for the many difficulties. One of these difficulties--and mostly the workers spoke of them--is the irregularity of production and the present strains in availability of supplies.

The agreements signed, it was pointed out, should clearly define in which cases possible stoppages are the fault of the group or the fault of the enterprise, and who is to suffer the financial consequences. The problem of legal regulations was also raised, particularly those pertaining to dismissal, from the group, of the less-productive workers and their future employment.

The representatives of the trade unions (including the new Trade Unions chairman, Stefan Koziaczy, insisted that the workers with long standing not be dealt with unfairly in the race for higher productivity. The matter of work time also requires a new approach: How are overtime hours to be treated, how many hours a day, week or month may a worker work? The traditional position of the master and brigade foreman may also become less important if the group members are able to choose their own leader.

Among some of the management cadres, said Mieczyslaw Kujda (from the Rzeszow Scientific Society of Organization and Administration) there is also the fear that the lowest organizational cells in the factor will be given even more autonomy. This may make planning and management of production more difficult. The new forms of work organization are not universally accepted. There are fears, for example, that there will be another round of job certifications and that there will reluctance on the part of workers to evaluate the performance of their colleagues.

Some of these difficulties, Prof Stanislawa Borkowska, deputy minister of Labor, Wages and Social Affairs, said, should be eliminated at the central level. But some of them are due to a misunderstanding on the part of the

workforce, of what the worker partnerships really are. Edward Kuczera, assistant director of the CC Economics Department, spoke of the need for more aggressive propagation of the idea of worker partnerships. He indicated that the party organizations and other social forces should take a more active part in these plant activities.

In some voivodships, e.g., in Wroclaw, Katowice and Skiernewice, clubs are formed in which there is a constant exchange of experience. The number of these clubs is growing as a result of party initiative.

Group forms of work organization cannot be regarded as an administrative supplement to reform, the director of the PZPR CC Economics Department, Marek Holdakowski, said in summing up the discussion. In essence, they should bring the mechanisms of reform to the job. When there is economic compulsion, in the second stage of reform, it will be hard to compensate for our own inefficiency by issuance of subsidies and reliefs. We will have to make use of all of our reserves to make the economy more efficient. If this is to happen, group forms of work organization, in addition to other measures, must be instituted more widely.

Correctly organized partnership groups ensure a dynamic growth of productivity, a reduction in employment to the indispensable level, and a guarantee that all production factors are utilized. Using these work systems as a base, the economic and humanistic values of work can be more fully combined than ever before.

Worker partnerships make it possible to integrate working groups around a common interest. This makes for better understanding and recognition of primary goals.

Many different forms and principles on the basis of which group forms of work are created were described in the discussion. Various trends and inspirations should be drawn upon and adapted to the realities of the factory and the experience of the workforces. Partnership is a difficult art and cannot succeed without help. Collaboration, respect for autonomy and joint responsibility must be learned through practical experience. And this can be done by popularizing group forms of work organization, for which job reviews and certifications can also be helpful.

Group forms of work are essentially an opportunity to expand self-management in the enterprise. Promoted by the party, they provide an opportunity to utilize the energy and potential of all the social forces in the workplace. And what is most important, they make it possible to reach the youth more effectively--their sense of efficiency. But also the need for emotional ties to the workplace.

9295
CSO: 2600/207

CHANGES IN REFORM COMMISSION SECRETARIAT

Warsaw RZECZPOSPOLITA (REFORMA GOSPODARCZA Supplement No 86) in Polish
2 Oct 86 p 4

[Article: "Work of the Economic Reform Commission and Its Bodies"]

[Text] Group 15, the Construction Group, held a session this 24 September, chaired by the newly appointed chair, Mgr engineer Franciszek Jablonski, director in chief of the Mazowian Industrialized Construction Plants. This meeting was organizational in nature. There was also a discussion of the scope of the subject matter the group envisioned handling up to the end of the year.

Group 3, the Group on the Economic System of the Enterprises, met this 25 September, and discussed the group's working plan up to the end of the year. The group also analyzed the way to draft the annual report on inculcation of the economic reform in 1986. In addition there was discussion on the reasons enterprises did not see interested in exploiting obligations to finance developmental undertakings.

On last 29 September there was a meeting of the Secretariat of the Economic Reform Commission attended by the chairs of the problem-solving groups. The meeting was called to discuss the draft of the law on amending certain laws defining the functioning of the socialized economy.

Owing to the changes in the membership of the Secretariat of the Economic Reform Commission and among the groups' chairs, we are presenting an updated list of members of the secretariat and the chairs of the groups.

List of Secretariat Members

1. Dr Franciszek Kubiczek, commission secretary and first deputy chair of the Planning Commission of the Council of Ministers.
2. Prof dr habil Stanislawa Borkowska, undersecretary of state, Ministry of Labor, Wages, and Social Affairs, and deputy chair of PTE.
3. Dr Bronislaw Cias, undersecretary of state Ministry of Finance.

4. Dr Jan Guz, director of the advisers group to the Chairman of the Council of Ministers at the Office of the Council of Ministers.
5. Włodzimierz Hausner, deputy director of the Economic Department, PZPR Central Committee.
6. Doc dr habil Tadeusz Jaworski, deputy director, Institute of Party Science at the Social Sciences Academy, PZPR Central Committee.
7. Kazimierz Kuncewicz, deputy chair, Central Union of Work Cooperatives.
8. Dr Wojciech Pruss, undersecretary of state, Ministry of Finance.
9. Prof dr habil Henryk Sadownik, deputy director, Institute for Organization, Management, and Continuing Education of Personnel, chair of the Main Administration of the Scientific Organization and Management Society.
10. Prof dr habil Zdzisław Sadowski, undersecretary of state, Office of the Council of Ministers, deputy chair of the Economic Consultation Council, and chair of PTE.
11. Dr Leszek Urbanowicz, vice president of the NBP.
12. Andrzej Wroblewski, director of the Group on Methodology of Planning and Regulatory Systems of the Council of Ministers Planning Commission.

List of Group Chairs

Group 1: central bodies guiding the economy. Chair: Prof dr habil Bohdan Gliński, director of the Management Department, Polish Academy of Sciences.

Group 2: organizational structures in the economy. Chair: Jan Kolodziejczak, director of the Telkom-Teletra Plants in Poznań.

Group 3: economic system of enterprises. Chair: Engineer Bogusław Szajewski, director of the "Telkom-PZT" State Teletransmission Plants, Warsaw.

Group 4: market organization and functioning. Chair: Prof dr habil Marian Strużycki, director of the Department of the Economics and Organization of Market Enterprises, Main School of Planning and Statistics.

Group 5: investments and management of fixed assets. Chair: Prof dr habil Zdzisław Sadowski, undersecretary of state at the Office of the Council of Ministers, deputy chair of the Economic Consultation Council, and president of PTE.

Group 6: agriculture and the food economy. Chair: Prof dr habil Eugeniusz Mazurkiewicz, prorector of the Academy of Social Sciences.

Group 7: materials management and turnover. Chair: Prof dr habil Czeslaw Skowronek, undersecretary of state, Ministry of Management of Materials and Fuel.

Group 8: foreign trade. Chair: Dr Stanislaw Dlugosz, deputy chair, Council of Ministers Planning Commission.

Group 9: local bodies of economic management. Chair: Bronislaw Steplowski, governor of Poznan Voivodship.

Group 10: self-government and the legal foundations for economic functioning. Chair: Prof dr habil Ludwik Bar.

Group 11: technical progress. Chair: Prof dr habil engineer Jan Kaczmarek, director of the Mechanical Systems Department of the Institute of Basic Technical Problems, Polish Academy of Sciences, and chair of the Chief Technical Organization.

Group 12: small manufacturing, services, and crafts. Chair: Jerzy Gruchalski, economic secretary of the Democratic Party's Central Committee.

Group 13: scope of social services. Chair: Prof dr habil Janusz Gorski, deputy director of the Institute of Economic Sciences, Polish Academy of Sciences, and chair of the Society of General Knowledge.

Group 14: transportation. Chair: Prof dr habil Miroslawa Bajon, department director at the Transportation Institute, Warsaw Polytechnic.

Group 15: construction. Chair: mgr engineer Franciszek Jablonski, director in chief, Mazowian Industrialized Construction Enterprise, Pruszkow.

Group 16: instruments of price and income policy. Chair: Prof dr habil Kazimierz Ryc, deputy director of the Finance Institute.

10790
CSO: 2600/60

NUCLEAR PLANT EXPORT POTENTIAL ASSESSED

Warsaw POLITYKA (POLITYKA EKSPORT IMPORT Supplement No 19) in Polish No 40, 4 Oct 86 p 14

[Article by Bogda Zukowska: "Out of Service"]

[Text]: Everybody agrees that we have to export, and that we have to export more and more. There is even a slogan for it: "Export to live." Nonetheless, there is a basic difference of opinion about whether export is profitable. It may be because I have not yet seen the slogan: "Export to make a profit."

It is sufficient to look at a list of the 300 largest exporters of 1984 to realize that two-thirds of them owe their position to trade agreements with socialist countries. The "Polon" United Nuclear Power Equipment Plants is in 37th place.

At "Polon" people admit that they indeed do benefit from export, but they immediately add that the changes in the incentive system introduced in foreign trade as of this past January may cause a decline in the positive aspects.

The enterprise specializes in the production of CAMAC system electronics, which this year earned the title "Mr Export." To put things most simply, it plays the role of a "translator" and transmits signals concerning the course, for example, of technological systems, scientific experience, and rules of operation for various equipment. On the basis properly translated signals, the computer can analyze the course of these processes and guide them.

Exports account for 80 percent of "Polon's" production, and the basis is the very sales of CAMAC equipment to the Soviet Union. This firm has a good product and a large market of sale. Are the fears about this year's results not therefore exaggerated? Director in chief Stefan Switula admits that for the past 2 years there have not been reasons for complaint at "Polon." The indicators were up. Profit bonuses increased and actually reached 30 percent of employee pay. It is difficult to imagine a better incentive for export or one which is more clearly understood. Estimates for this year based on a single "Polon" plant, the Warsaw plant, indicate that there will be nearly 10 million zlotys less to divide up for bonuses.

The director of the Warsaw plant, Czeslaw Dryja, says: "What is left will not be the traditional bonus from profits either. Things were formulated in such a tight way that the budget can still grab part of these funds for itself too."

It is true that bonus funds will not be taxed at the rate for above*standard pay, but a substantial share will be treated as part of the payroll fund. Therefore ZUS contributions and the like will be figured on them.

The question of earnings is also Director Switula's major worry. "Any possibility of a raise is based on increased net production, but with export holding such a share, the possibilities of increasing that figure are rather limited," he explains.

And here too "the tax base has changed, which, to put it more simply, means that each percentage point of increase in wages will cost "Polon" not 400 zlotys, as in 1985, but 1,000 zlotys.

Further examination of the details would only worsen a picture that is already dim in terms of the relationship between earnings from various "bases," "ceilings," and taxes. Suffice it to say that the directive and commentary concerning new regulations have begun to take up three whole pages, in addition to RZECZPOSPOLITA and REFORMA GOSPODARCZA. Only expert accountants can figure it out, but the results are going to be understandable to everyone. For example, "Polon" employees say that their bonuses have declined by 30 percent. The conclusion they come to will be simple: export is going to seem less profitable to them than it did before.

Both of the people I talked to began to calculate export benefits with how much the workers could earn on foreign contracts. They also see the greatest threat to a firm's position as exporter to be nowhere else than right in the restrictions being placed on the increase in earnings and bonuses for export. "Polon" is no exception here. This is what people in all the enterprises involved in foreign trade are thinking, regardless of whether they export their goods to the West or to the East. "Profitable" must in each case mean more profitable.

Of course, the problem of profitability in the broader sense is of course important. One can discuss this in terms of the enterprises' total finances. Such a discussion reveals the issue of special income tax provisions. Insofar as "Polon" is concerned, such facilitations could not have been great in past years, because the Warsaw plant and the whole enterprise has clearly improved its financial situation, which was previously already pretty good. The firm could afford a large expenditure, the purchase of part of the ruined CEKAR enterprise, which had been unsuccessful in producing electronic cash registers. In this way Director Dryja has resolved the problem of where to situate his growing production. They can worry about the cash registers later.

This year "Polon" did find it in a rather special situation, however. What one regulation gave them another took away. The first regulation talked about increasing income tax relief for having a high share of production devoted to export. Within the framework of the budget law, a second regulation reduced this amount by one-quarter, which after all does apply to all enterprises, but well over 100 million zlotys will come into the development fund. How will this money be used?

"The bank would certainly be content if we were to designate it to finance a large share of our own circulating capital," Director Dryja says, "but to cover current expenditures out of funds designated for development is not an attractive solution. We could modernize our production technology and buy modern equipment. Well, we can dream anyway."

"Polon" has zlotys and rubles, but it does not have dollars. For the moment there is not any way to legally convert one into the other either, and this is Director Dryja's next dream.

The CAMAC system apparatus is already 15 years old, and although other than in principle it does not look at all like the original prototype, far better systems are being produced out in the world. One day our old customers may also come to the conclusion that CAMAC is too out of date for them.

The modernization program anticipates replacement by Multibus. This will be new generation electronic equipment. Modern equipment automating production processes, steering, and control will be needed in its production. They are also projected to be available only in dollars. We will have to earn them ourselves. The whole enterprise has found itself in the same situation as the Warsaw Electronic Apparatus Plant.

"Polon" has been thinking only recently about exporting to payments area 2 countries but very seriously. This year contracts worth 400,000 dollars are anticipated. This is already something. China seems to be the most promising market for CAMAC equipment. With exports to the West in mind, we signed a joint production agreement with a French firm that produces equipment for cancer therapy equipment. On the basis of the partner's documentation, the Poznan plant will begin producing components for it. The first deliveries to France will begin at the end of this year. The enterprise is also greatly interested in joint ventures, which could provide not only foreign exchange currency but also broader access to modern technology.

All this means that we will get some foreign currency into our own hands, and this is considered to be profitable, especially since the dollar needs of our joint production partners will suddenly increase, but we come back again to the question of just what "profitable" means.

"Polon" has managed to avoid many difficulties up until now. A contract with the USSR to produce CAMAC apparatus has insured sales and an adequate return. Exports who sale to Western markets seldom have

this luxury. Their calculation of profitability takes into account far more elements of tangible and intangible costs of the risks that just about every contract involves.

We do not have the problem of keeping profit indicators within official limits either. Surely "Polon" could therefore be a positive example of an enterprise that profits from exports, but in addition to the official one, "Polon" still has its own calculation of profitability. It shows that exports are less profitable than they might be or than they were in years past. This is true of most exporters.

The further one gets from the Ministry of Finance and the Ministry of Foreign Trade, the more fluid and flexible the concept of export profitability becomes. For the finance ministry it is limited to dry indicators. In life, that is, at the enterprises, the criteria are as varied as their targets and operating conditions are. The Ministry of Finance recently reminded exporters that during the past 2 years total income tax exemptions had increased from 30 billion zlotys to 80 billion. The results have not been great, but the enterprises could have given a long list of well -documented reasons why this was so. One was unable to buy a machine tool it needed (because it had been exported). Another had to wait 4 years for delivery of a single component for the whole technology line. A third wanted to invest in a new installation, but there were neither the materials nor the "processing power." And we are not even talking about the fact that everyone needs mainly dollars for modernization projects.

At the Ministry of Finance it has been calculated that last year the profit index of export production for payments area 1 was 15 percent, the profit for production for area 2 was 12 percent, but for domestic production it was only 5 percent. It was recently said at a meeting at the Ministry of Finance that, given these facts, "the notion that domestic sales are more profitable than exports will just not hold up."

So things are good, but they will be worse, especially if practical steps follow the conclusions: cut exemptions and arrest the decline in the zloty's rate of exchange. Producers are not struggling to get foreign contracts. They have to be urged to do so. Last year nearly 300 enterprises withdrew from exporting. It is likely that the list included those that no longer fit in any of the most profitable ranges of profit, and some did not find customers for their profits. All of them, both those that left and those that remain, were surely affected by the uncertainty over the ground rules, by the constant changes in the regulations which made previously profitable transactions unprofitable, and fear over whether the materials could be obtained.

The current system for encouraging exports reminds us of a broken telephone. It takes your money, but it does not make the connection.

10790
CSO:2600/60

REGIONAL REPORTING ON COMPUTER INDUSTRY, MARKET

Electronics Industry Development Barrier

Wroclaw GAZETA ROBOTNICZA in Polish 9 Dec 86 p 5

[Text] Children only a few years old are already asking for microcomputers instead of toys and many producers want to increase their deliveries in order to satisfy the demand from individuals and workplaces. In short, the electronics madness has engulfed the large and the small, who are counting on the promised results of the intensive development of electronics planned for the next few years.

Deliveries of electronic subsassemblies, integrated circuits, and electronic means are supposed to grow 75 percent, and the number of personal and business computers will increase from the present 20,000 to half a million. But in order that we not become too elated, let us realize that this will not guarantee us any world records. Very simply, we are only working to catch up. In 1985 per capita production in the electronics industry in Hungary was two-and-a-half times higher than ours; in the GDR it was four times higher; and in Bulgaria it was five-and-a-half times higher. Poland is in last place, while in 1981 we were among the leaders. The fact that production in our electronics industry will grow twice as fast as in other sectors, that almost half of the money from the Central Fund for Development of Science and Engineering will be allocated to only three fields, of which electronics comes first, does not mean that we will be able to make up our arrears. In many countries their electronics industry will grow faster than ours.

There is still one more reason why catching up with the competition is questionable. The efforts being made in the present electronics program are not being coordinated. For example, demands that production of silicon chips, which are the starting product for microelectronic parts--be expanded, are still not being heeded.

Decisions made in this matter were not effective. Production of silicon polycrystal is still under 15 tons a year while requirements call for 30 tons and will grow to over 100 tons a year in 1990. Production under government contracts is supposed to begin in the nitrogen plants in Tarnow. We are appropriating 2 billion zlotys for this purpose next year.

But this does not guarantee that requirements for silicon polycrystal will be met because only 40 tons will be produced in Tarnow. And where will the rest come from? Answers are now being sought to this question and the entire problem is again being examined in detail. And time is short. Lack of materials for the electronics industry in 1988 will shatter our dreams about computers.

'Timex' PC's for Zlotys

Gdansk GLOS WYBRZEZA in Polish 3 Dec 86 p 4

[Text] Computermania, in some circles--especially among the young--is not shrinking. Computer technology is making its way into schools with great difficulty and more and more computers are owned by individuals. Until now anyone who wanted to buy his own computer had to get hold of a certain amount of hard currency and possibly overpay at consignment shops, various markets, or buy from people who brought this equipment in from abroad for the purpose of reselling it.

Computers for zlotys. This had never happened before and for several days now it has been a reality. Computers, together with accessories, appeared on the shelves of a shop at 26 Mokotowski Street in Warsaw. The first rights to sell computer equipment for zlotys in retail trade in Poland were granted to Central Scout's Depot (CSD). Prices, we should add, are competitive with hard-currency prices, although they are still high considering that most of the interest in computer technology is demonstrated by the young and very young people. For now, equipment from two well-known firms, Timex and SVI Spectravideo, will be imported.

Initially, there is not much available, especially since the first lot is to be divided among several CSD establishments which are supposed to open their doors by the end of the year (outside of Warsaw, too). Timex is offering its microcomputer (106,000 zlotys), a disk station, two types of printers, a tape recorder and diskettes. Spectravideo is offering a computer with a built-in disk station (440,000 zlotys), a disk station, a black-and-white and color monitor, a printer, a plotter, a memory card and a set of microdisks.

Because word reached us that there is a chance that a computer shop will be opened up on the coast, we contacted the Gdansk CSD. It turns out that something like this had been planned and one of the salesmen was even trained to work in such a shop but the matter is being complicated...

The decision as to whether there will or will not be a shop on the coast will be made in Bydgoszcz because that is where the main headquarters of CSD is located. The director told us that plans are underway to open a computer shop in Bydgoszcz in 2 days. It will be at 66 Chodkiewicz St.

The Central Scout's Depot first assignment was to supply computer equipment to schools. The first lot will meet only half of the schools' requirements and after all, some units must be put on the open market. But the computer equipment is supposed to come in regularly and will be easier to obtain next

year. Also, next year a computer shop will most probably be opened up in Gdynia.

The equipment purchased in CSD shops carries a service warranty. The Spectrovideo service department is located in Lublin and POLBRIT in Warsaw will service Timex equipment.

And now we must wait to see if the promises are kept--the promises that there will be plenty of equipment available and that there will be a computer shop on the coast selling goods for zlotys.

'Mikrosystem' Partnership Described

Gdansk DZIENNIK BALTYCKI in Polish 9 Dec 86 p 3

[Article by Marek Formela: "What 'Mikrosystem' Can Bring"]

[Text] A year ago the computer market was quiet. The boom began in the spring. At least that is what they say at Mikrosystem. The view that computers in the hands of man are satanical ceased to exist even in the hinterlands. Computer firms covered the country like mushrooms after rain.

The Polonia-abroad enterprises demonstrated the most vigor and racked up profits the fastest. Where there is no competition there is no pressure to fix prices. That, obviously, is basic economics. Not everyone, it appears, is able to assimilate that to the same degree.

The Western market is already selling good microcomputers of the IEM type for \$1,000. A price of 6 million zlotys was put forward in the Polonia firm offers. Under this comparison even the recent black-market price of the American dollar does not appear to be seriously undervalued. But the enthusiasm of the buyers was unrestrained. The equipment sold out immediately with little concern for software. Because throngs of customers have the hardware, no prudent head of a firm will invest in the work of a group of computer operators whose results may not have a commercial value.

That is how it was. But because the game of economics, by assumption, should be a subtle play between supply and demand, every day new partners began to appear in the microcomputer subsector: Cooperative firms, public-sector establishments, and private plants. Their reputations, capabilities and goals varied. Even folk artists are beating out computer biorhythms, jokes Jerzy Bogdanis, director of the board of Mikrosystem.

What is Mikrosystem? A company of two shareholders, which was the first public-sector establishment of this type in our country. It was formed in May of last year. What was its purpose? Very simple, replied J. Bogdanis. To develop a concept for updating firms--Mikrosystem shareholders, by supplying them with computer solutions for important operating units in their organizational structure. The final product will be the application of automatic control systems, suitable for both small and medium-size firms.

The idea is clear: In order to make the right decisions as to strategy, the enterprise's management must have a complete range of information about its operations--summaries, analyses, profiles. Every department independently enters data about its work into the microcomputer memory. When the equipment is connected into a network the number of terminals, equal to the number of departments, will make it possible to greatly increase access to the computer memory.

That is how it is supposed to be, says Marek Sinica, chief engineer in Mikrosystem, and no later than next year because the work is well underway. For the time being, the "bird in the hand" is a readily accessible "main ledger," which is a computer record of the enterprise's accounts operations. And this is nothing trivial; at the November nationwide software fairs in Katowice it was noticed and the partnership was singled out with an award, which escaped the inquisitiveness of the agency reporter.

However, without question it aroused the interest of the competition. When succeeding programs, which in machine language describe the functioning of other sections of the enterprise, appear, the automatic control system, of which the main ledger will be the main element, may turn out to be very useful to small and medium-size firms throughout the entire national economy. And this is already a serious threat and the takeover of a market, especially since past attempts by other programmers have been chaotic, incohesive, and therefore still far from ideal. Meanwhile, Mikrosystem is striving for the next level, getting as far as the details of the management reporting program. Marek Sinica says: I would like to close this chapter already and go on to other interesting problems, of which there are many in computer programming.

Creativity in the computer industry is not always appreciated. For example, the law does not provide programmers with any authorship guarantees. The field is wide open for copycats. Our work method protects us, says Bogdanis. We receive a concrete order from an enterprise or institution. Our specialists prepare an actual picture of the firm. On the basis of this picture the "main ledger" system is adapted to the specific needs of the next user.

And Sinica adds: After all, we are not selling diskettes. If anyone were to get the idea that he can make free use of our programs he would be disappointed. Immediately, 20 to 30 percent of the records turn out to be useful in practice, for each one is them is prepared for a specific enterprise or institution.

What, then, does Mikrosystem sell? We are consultants in computer applications and we supply a ready-made product, of which software is only one element because we also provide a set of engineering instruments, quarterly applicatons supervision and staff training.

Who buys this? There is no lack of customers, including such important ones as the Medical Academy in Gdansk, the Zarnowiec Nuclear Power Plant under construction, and a certain Swede, owner of a computer firm, who is not supporting a competitor on the southern shore of the Baltic out of altruism or the goodness of his heart.

Right now the joint interest is satisfactory to both partners: the Swede, because he is employing professionals equally as good as the local ones and after all, they come much cheaper; and Mikrosystem because its workers have daily contacts with equipment of world standards and the hard-currency account of the partnership looks better all the times.

The contract entered into through the intervention of NAVIMOR requires work of good quality and on schedule. It also contains legal guarantees for both sides, which refutes the coffee-shop gossip which is replete with untrue conjectures. Anyway, the facts are as follows: In less than a year the Mikrosystem programmers sold the Swedish firm two large systems--an accounts system for construction enterprises and one for work in an attorney's office, plus several smaller ones, such as a software library.

The financial results of this trade? Promising, says Bogdanis. We have shown the Swedish contractor that we do good work and a delegation from the partnership has already discussed next year's contract. We have made almost one-fourth of our sales on the very difficult Scandinavian market. Annual sales of 33 million zlotys in the first year of operation is not at all bad...

Mikrosystem is small. It consists of 32 people.. "Small is beautiful," Schumacher once wrote. Small in economics is clearly defined--it is efficient and cheap. And it brings profits...calculated by a computer.

'Mikrokomputery' Director on Future Plans

Zielona Gora GAZETA LUBUSKA in Polish 3 Dec 86 p 3

[Interview with Dr Zbigniew Twardon, director of 'Mikrokomputery' Production-Sales Enterprise, a limited liability company, by Czeslaw Gierlach]

[Text] [Question] Why, specifically, has a company with limited liability, a company operating on the basis of laws from the 1930's, turned out to be the best method for starting up serial production of a professional, domestic microcomputer system?

[Answer] Such an organizational formula does not disturb the reform self-reliance of our shareholders. At the same time it provides for best accomplishment of a complicated endeavor, keeping costs at a minimum by undertaking production with the partners already in place. In turn, it makes us responsible for the successive stages of these plans.

[Question] In other words, Mikrokomputery is not an offer for all enterprises looking for good business.

[Answer] No. We are not a stock company. I believe that some plants are coming to us with questions about the price of one share and whether they can buy in. In choosing our shareholders we are guided by simple pragmatism: You can come to us when you can give us something which brings us closer to our common goal. That is, not just money, but also a specific product.

[Question] The gold metal awarded to Mazovia at this year's Poznan Fair permits us to say that the goal about which you are speaking is near at hand. But it is hard to imagine an economic organization without defects.

[Answer] In this case I do not see any. Well, if there are any it is that I know much more about the origins of Mazovia than any of the other shareholders. But what is important is that in this arrangement we are not under any ministry, although we are constantly having to answer the question "to whom do you report?" and explain what a Shareholders' Meeting, Company Board of Directors, etc. are.

[Question] A limited liability company is not common in our country. Was it formed amid shouts of unbridled enthusiasm?

[Answer] Of course there were all kinds of difficulties but none in particular. There were problems in finding space, a bureaucratic procedure. That is nothing new.

[Question] Only a few months have elapsed between the formation of Mikrokomputery in the second quarter of last year and the presentation of the test series of Mazovia at the Poznan Fair. Could it be that June 1986 is a date which denotes the beginning of the computer revolution in Poland, a revolution occurring with the help of domestic equipment?

[Answer] It is difficult to make such an assessment at a time then development of this branch of the electronics industry, which was to be our computer opportunity, ended 10 years ago. This process seems to have come to a halt and furthermore for some time now our own producers have stopped manufacturing certain subassemblies. The revolution in this field seems to concentrate more on declarations and an abundance of conflicting ideas. Nor can it be seen in the decisions made by the authorities.

[Question] Therefore, no one has assigned you the duty of fulfilling this mission.

[Answer] That is not the point. We are surrounded by competition. True, we are trying to get on the government-orders list, but if nothing comes of this our shareholders are strong enough to get production going, set up a service and software network and see to the further development of Mazovia. In order to achieve this goal, it is worth going into partnership even with the devil.

[Question] Would it not be simpler to sell just the product?

[Answer] We are already working towards the second stage of our operations, which will begin after the market has been saturated with equipment. The company cannot think in terms of selling only the hardware and then folding its tent and leaving.

[Question] We are entering the second stage, and what about the first?

[Answer] We are planning to deliver a few hundred of our first microcomputers to our buyers by the end of the year. In 1987 production should amount to a

few thousand units and in the years that follow it should total tens of thousands.

[Question] What are you offering your customers?

[Answer] A professional state-of-the-art computer system, fully compatible with the IBM PC/XT, at a relatively low price--2.6 million zlotys, with a service warranty, access to software and gradual expansion of the system into a computer network.

[Question] Nevertheless, this "relatively" low price is still a large expenditure for the average person. Is there any chance that the price of Mazovia will come down?

[Answer] Unfortunately, no. We hope only that it does not go up. Prices of domestic parts are rising. Foreign-exchange conversion rates are changing.

[Question] Indeed. How much hard currency has to be spent now to produce a Mazovia computer?

[Answer] It is not easy to calculate. Costs change from one unit to another. Nevertheless, it is obvious that in order to build computers we must import, but the question is that if someone imports a Winchester-type disk for himself from Taiwan and the company buys it for zlotys, is that import? Of course not. Production of one Mazovia requires about 30 percent foreign parts and we spend approximately 1-2 percent of the costs of the entire system in hard currency for this purpose.

[Question] A firm like Mikrokomputery cannot operate as a static system. Sooner or later the equipment will have to be improved.

[Answer] Of course, and that is why everyone of our shareholders is concerned with improving the quality of his product and the level of its modernity. In addition, we intend to take on a few more partners who will guarantee us that not only will the indirect and actual import be reduced but that they will also be able to meet requirements as to up-to-dateness in the future. Frankly speaking, this is linked with my plans for Zielona Gora.

[Question] Is it possible that sentiment is playing a part in this?

[Answer] It is true that I spent several years in that city, but that really is not it. I see here one of the largest centers of the computer industry in the country. The conditions are right: A good atmosphere for such ventures, a staff and the possibilities of a steady influx of employees, and firms which are now, unfortunately, not involved in ambitious production. Initially, starting in December, we will begin to establish a branch of our company in Zielona Gora.

9295

CSO: 2600/298

CRITICISM OF LOST PRODUCE EXPORT OPPORTUNITY DRAWS RESPONSE

Warsaw POLITYKA (POLITYKA EKSPORT IMPORT Supplement No 19) in Polish No 40, 4 Oct 86 p 15

[Letters to the editor discussing Andrzej Mozolowski's article "This I Do Not Understand" (POLITYKA EKSPORT IMPORT no 15/86) and Mozolowski's response: "Polemics -- We Have A Different View"]

[Text] The opinion published of necessity based on current market observation during A. Mozolowski's short tenure as editor and interviews largely with Lars Senge, owner of the Hellefors firm, and special Polish market plenipotentiary M. Grudziecki could not be objective or based on a comprehensive familiarity with the subject, by their very nature. If the author had compared information from Mr Senge with opinions of Polish foreign trade enterprises and become familiar with the documents on the subject presented in the article, the views would surely have been broader and more comprehensive.

In its basic content the article suggests that Polish foreign trade firms are unable to utilize the great existing possibilities for exporting fresh fruits and vegetables to the Swedish market, and he attributes most of the failures "Polcoop" in particular has on this market to poor price policy.

"Polcoop" has a different view of the possibilities of placement on this fresh fruit and vegetable market, a view after all based on many years' cooperation experience with this processed products market. Our products' access to the Swedish market is rather restricted, owing to the fact that the state clearly protects the market, particularly for agricultural foodstuffs.

There are high tariffs which prevent the importation of many products into Sweden, and the duties also apply to vegetables. For some products these tariffs are the highest in Europe. The intricate licensing system additionally prevents attempts at import. Imported licenses are issued almost exclusively for deliveries during periods when supplies of local products are inadequate. Therefore, there is no certainty of systematic year-round deliveries or of the possibility of making up price losses incurred during periods when exports are not profitable. The great price stability exists mainly in the realm of market protection and applies

largely to the consumer market. Where the market is open for exporters, there is keen competition, and import prices fluctuate greatly. This is the reason that "Polcoop" has a contract clause calling for weekly price negotiations -- this testifies to our great flexibility in pricing -- and for the possibility of one of the parties' withdrawing from deliveries in a given week, if the price level would not provide a certain level of profit for both parties.

Sweden is a market with very high requirements of quality. Therefore only producers that have conditions adequate to meet these high requirements are in a position to export to this market. It is no secret that however dynamically the domestic production of fruits and vegetables is, it is not accompanied by adequate transport organization, packaging, or vehicle production, and the like. Today KPGO Gumience is one of the few suppliers today capable of meeting this market's requirements. Therefore, "Polcoop" has tried to place their products on the Swedish market and has signed a contract with Hellefors. This is a small, young company actually operating on a fringes of a rather highly monopolized fresh food market in Sweden. It is for this very reason, we think, that this company has offered relatively favorable conditions for cooperation. The problems did not start until the contract was being carried out, when Hellefors started to operate in violation of the conditions of the contract:

It supplied the packaging nearly 4 weeks after the deliveries began.

It provided the supplier with a worn-out foil-wrapping machine that was so inadequate that even the specialist they sent was unable to get it to work.

It worked for price agreements below the level that could be obtained on the market, which "Polcoop" could not accept in any event.

Ultimately the firm began resulting to absolutely impermissible practices of withholding payment, saying that it would subtract the amount due from the seed deliveries ordered by "Polcoop," as well as the amount to be paid for a foil-wrapping machine that was also inoperable (and they knew this). We have managed to obtain most of the amount due us. They also began to send complaint claims that seemed suspiciously high and were not properly documented.

Thus our experience has shown that our choice of trade partner was unfortunately a bad one.

This fact is after all also shown by this firm's attempt to bring pressure to bear on Polish foreign trade companies through the press, and the article published was most likely an example of this tactic.

We should like to emphasize that "Polcoop," in drawing practical conclusions from the matter described above, intends further expansion of fresh food exports to the Swedish market, and is shortly planning to try to put affairs in order with cooperation with Hellefors, and

furthermore to expand exports of these products to large firms of importance on this market.

Mgr K. Pracki,

Director in Chief,

"Polcoop" Foreign Trade Enterprise,

"Samopomoc Chlopska" Central Cooperative Administration.

Glaringly One-sided

The chief theme of the article "This I Do Not Understand" (POLITYKA EKSPORT IMPORT No 15/86) is allegedly the failure of Poland, especially the foreign trade firms "Hortex" and "Polcoop," to make use of the opportunities for exporting fresh vegetables to Sweden. In the opinion of author Andrzej Mozolowski, both of these firms are unable to see the opportunity Hellefors Import AB affords them on the Swedish market.

I had the pleasure of meeting the author this past June, when prior to his trip to Sweden he was anxious to learn about the organization of that market and the value of Polish fresh vegetable exports to Sweden. During the meeting I did not hide the fact that "Hortex" had not had the best experience in dealings with Hellefors during last year, not realizing that Mozolowski was an ardent defender of theirs.

Three of that sector's largest companies in Sweden, Kooperative Forbundet, ASK (Saba Group), and ICA Frukt och Grönsaker AB hold about 85 percent of the imported fresh fruits and vegetables in their grasp. They have their own extremely modern computerized warehouses and cold storage plants along with the vertical organization, from centralized wholesale procurement offices to thousands of retail shops. The remaining approximately 15 percent of the market belongs to the firms that are smaller but very solid and specialized in the "green" sector. Unfortunately, Hellefors Imports is not on the list. This firm was registered in 1981. Its capital share is 50,000 crowns. It has three regular employees and one part-time employee. It is obvious that this company is very new, with no commercial traditions, and its share capital is symbolic. After his marriage, owner Lars Sange, a pilot by profession, began to cultivate lettuce on his wife's 100-hectare farm. In the fall of 1985 he started trying to become a commercial agent for "Hortex," presenting plans that were as impressive as they were unrealistic for selling fruits and vegetables on the Swedish market. We tested Mr Sange's enthusiasm by signing small contracts with him to supply mushrooms, onions, and celery root, carefully protecting ourselves with a payment clause.

Price proved to be the greatest difficulty in finalizing contracts with the firm. Not actually being an importer and not having its own sales network, it was not in a position to pay us the prices usually accepted by typical large importers. In this situation Hellefors started to try

to enter other sales channels of typical importers, a move which could not possibly produce a reaction favorable to the firm. What is more, from the moment the "Swedish Pole" Marek Grudziecki was hired, attempts began for improving financial results by issuing not entirely justified complaints about the quality of onions and attempts to set up their own transport by interfering with the business of "Hortex." This sort of action was bound to bring about a response on our part, and this was the reason for the warnings to Mr Sange.

If the author had been interested in giving a careful hearing to the opinions expressed by "Hortex" prior to his departure for Sweden and then had held several talks with really typical importers, which "Hortex" would have happy to help arrange, the article would surely not have been so glaringly one-sided and lacking in objectivity.

You do not have to be an expert to understand the correctness of "Hortex" commercial policy in exporting fresh fruits and vegetables to the Swedish market, a policy which includes the following elements:

In selling, giving priority to the largest and best organized importers with excellent financial standing insuring the security of the transactions made, providing for timely payment of invoices, and creating the opportunity for turnovers to keep increasing;

Trading with many importers rather than a single one;

In undertaking to export a product, being guided by economic calculations and profitability rather than a liking for a given market or a particular importer operating on a market. This means selling the product to the trade partner that pays the highest prices, including restricting exports to a given market where net price levels are lower and assigning them to other, better markets;

Selling a product at the price of the day, in keeping with the development of the market situation rather than at fixed prices, that is, prices fixed ahead of time for a whole contract being carried out over a significant length of time. Hellefors proposed just such a transaction at fixed prices to H. Jasinska, deputy director of the foreign trade department at "Hortex." The proposal concerned the sale of 1,000-2,000 tons of onions;

Last but not least, decisively confronting any attempts to undermine our long-term customers's trust in "Hortex" pricing policy, as Hellefors waged.

The Swedish market is clearly being protected by the government. The local producer-farmers have a very forceful lobby on this market. There are strict license restrictions on all green sector products that local agriculture is in a position to produce. For example, licenses are not issued for apples until the end of February. The supply of the product, after the market opens up, from various directions causes the market to be saturated very soon, creating a drop in prices making it impossible to continue exports. During the final quarter of each year, a large supply of local onions of rather good quality is responsible for a

rather low level of market prices, making it nearly impossible for exports of this product from Poland to be profitable. Up until the end of February, there is also a 20-percent ad valorem tax, the highest in all of Europe. We have only about one month left to export onions at a profit, March, because we do not have a way to keep the onions from growing.

The use of pallets is another matter. It is a complicated issue, although the production of nonreusable pallets is relatively easy to undertake in Poland. The greatest difficulty involves the lack of appropriate carts for shifting them, especially among the smaller suppliers. Despite our best efforts, "Hortex" alone will not resolve the problem. Nonetheless, independent of these difficulties, part of the goods of the green sector being designated for export are already being handled on pallets.

The possibilities for exporting greenhouse vegetables like tomatoes, bell peppers, chicory, and early potatoes for the Swedish market are very limited. Given the rather shallow demand, the periods of good business conditions on this market are very short, and usually fall during the time when the prices being offered by domestic producers, if we wanted to accept them, would cause us to go way over our profitability indexes. The greatest possibilities for sales exist in exporting tomatoes of the Swedish Ida variety, provided that the product is fittingly prepared. "Hortex" is currently trying to expand the cultivation of these tomatoes in the State Garden Enterprises located in the northern part of the country.

Mgr Roman Samplawski,

Office Director,

"Hortex" Garden and Beekeeping Cooperative Center

Export Import Enterprise

A Lot Left to Be Done

The long statement from my distinguished opponent in the debate unfortunately does not remove any of the doubts I expressed in the incriminating article. So what if the Hellefors firm is small, made up of just four people? After all, I mentioned that fact myself, so why repeat it? On the other hand, I think that what is important is not the size of the firm but our trade with it. If the fans of "Hortex" are good because they are large, why do they buy so little? As I demonstrated, the small four-person group being looked down upon bought 1.2 million crowns' worth of Polish vegetables last year, compared to a total of 10 million crowns for all our exports of this branch to Sweden, to all those giants in all of 1985.

Nor did I find in the Hortex letter an answer to why our vegetables are being offered to the Swedish at prices higher (and therefore not anxiously bought up) than those of the Italians, Dutch, or Spanish, although Sweden is further away from them. Why are our "green exports" to Sweden so small at all, and why are they getting smaller?

In selecting markets of sale, "Hortex" is guided by "economic calculations and profitability...and so products are sold to partners paying higher prices." Yes, exactly. But after all the Swedish market is, according to Director Samplawski's statements, as everyone knows, the market that pays the highest prices of all our European contract partners. So why sell less to Sweden and more to countries paying lower prices?

I uphold the statement that at fault here is poor pricing policy: always working for the highest prices, which discourages trade partners and undercuts further exports, not taking into account the realities of the customer's domestic market, and a short)sighted policy producing tremendous losses over the long haul. Jerzy Morawski writes the same thing word for word about "Hortex's" pricing policy in PRZEGLAD TYGODNIOWY ("Games and Maneuvers," No 30, 1986), (we did not agree.) The same applies to "Polcoop."

I still cannot keep from being surprised about the accusations made by "Hortex" about Hellefors "going into others' channels of sale." Does my opponent not understand that in Sweden there are no administrative market divisions or central distributors and that one does not need the authorities' permission in the choice of customers? Everybody approaches everybody, wherever possible. This is what the market is all about, and nobody gets mad with anyone over it. Even the great ICA, whose dissatisfaction frightens Director Samplawski, buys from Lars Sange his imported northern fruits. Somehow the size of his firm is no problem.

I do not understand the meaning of the statement that Hellefors "is not de facto an importer." They import fruits and vegetables from all over Europe and from the United States. But if we were to calculate the firm's import productivity by dividing the value of its imports by its four employees and compare this to Hortex's imports per employee there, then you can consider who is "de facto a true importer" and who is not.

As for the onions, I must clarify things. The transaction proposed did not pertain to fixed prices or any other sort of prices. The talks simply never got that far. The purchase proposal itself was deferred on the spot.

"Polcoop" is repeating its claims concerning high tariffs. I am familiar with them, but why are they no barrier to large, continual exports for any of our competitors, in either the capitalist or socialist countries of Europe?

As for the foil machines for wrapping cucumbers, according to the information I have, Hellefors has already supplied two of them. They have a year warranty, and the Swedish firm which installed it is obligated to get it running whenever called upon to do so.

Overall, I think that a great deal remains to be done in the green sector on the Swedish market and that we must not overlook any opportunity or channel to increase our exports to this market. Time will show whether the two central offices will avail themselves of the opportunities and to what extent.

Andrzej Mozolowski

CHEMICAL, PETROCHEMICAL PRODUCTS AT INTERNATIONAL FAIR

Bucharest REVISTA ECONOMICA in Romanian 24 Oct 86 pp 11-12, 24

[Article by Ioan Georgescu: "Impressive Displays at 1986 Bucharest International Fair, 18-26 October: Romanian Chemistry and Petrochemistry"]

[Text] The now traditional broad participation by the chemical industry in the Bucharest International Fair was marked this year at the 12th such fair by effort to present to foreign business partners and the visiting public a picture of one of the most dynamic sectors of the Romanian national economy, its increasingly diversified production and export capabilities, its growth and constant elevation of the technical and competitive level of its products, and its ongoing adaptation to foreign market demands. At the international chemistry salon, housed as usual in pavilion 5, 8 industrial centrals of the chemistry subsector displayed hundreds of exhibits and mockups. Modern technologies represent a significant share of these new and improved products, reflecting the pace of innovation of this basic sector of the national economy over the last 20 years. The chemical industry currently accounts for nearly 10 percent of all industrial output. This sector has increased by a factor of 8 since 1965. Over the period that has been the most fertile one for development and modernization of Romanian chemistry, 1965-1985, the average annual rate of growth of commodity output has been 10.5 percent, higher than that for industry as a whole. The emphasis has been placed on reorganization of production through more rapid growth of the areas producing assortments involving a high degree of processing. More than 650 production facilities have been activated over this period, and labor productivity has been multiplied by a factor of more than 30. Chemical industry products are today exported to more than 80 countries on all continents.

It is significant that the qualitative leap made by the chemical sector has been accompanied by continuing diversification and modernization of the product mix, which currently totals more than 15,000 chemical products, and by constant increase in efficiency and the degree of utilization of the raw materials and energy involved in production processes. There has been continual modernization of the microindustrial structures of this sector and

its leading subsectors such as drugs, synthetic filaments and fibers, chemical fertilizers, precision organic synthesis products, and others, which have come to account for a substantial share of the output of the sector. Romania has now become an impressive business partner for any country, regardless of the level of its development.

Through its strategic options, its proportions, and the priorities established, the 8th 5-year plan, for the 1986-1990 period, sets the goal of keeping chemistry in the group of priority sectors. By the end of the 5-year plan, chemical industry output will have increased 87.7 percent over 1985, and of this figure production for export will have risen 65.5 percent. As regards the dynamics of basic products, even in 1986 it will reflect significant growth in terms of value over 1965, aluminum by a factor of more than 27, methanol by more than 13, chemical fertilizers in terms of 100-percent primary component more than 13, artificial filaments and fibers more than 10, detergents more than 6, drugs for human and veterinary use more than 5, and organic dyes and pigments by a factor of approximately 3.

The section opening the 1986 International Chemistry Salon is oriented toward scientific research and technological engineering. Under the highly competent guidance of Comrade Elena Ceausescu, academician, doctor, engineer, and a scholar of world renown, the activities conducted in this area have proved to be decisive for the progress of the sector. It is significant in this context that more than 95 percent of the production facilities activated during the 1981-1985 5-year plan were based on technologies developed by units of the Central Institute of Chemistry. This impressive institution groups together a large number of research, technological engineering, and design units, along with units in higher education, in new and efficient research structures to form an integrated system dealing with research projects of great interest to the national economy and completing these projects at the level required by the constantly growing demands of contemporary technical progress to ensure prompt application of solutions in the area of production.

Romanian chemical research has made available to industry a large number of original technologies that have been patented in Romania and abroad. Some of the technologies and installations developed at the institute are also in demand abroad because of their high competitiveness. Technologies, installations, and designs are currently available for export in the area of polymers, elastomers, chemical fibers with terpolymers, polyisoprene rubber, polyesters for polyurethanes, polyacrylonitrile fibers, polyamides, inorganic products such as dicalcium phosphate, inorganic pigments, recovery of mercury from waste water, organic products such as furfuryl alcohol, aniline, and nonylphenol by a continuous process, epichlorohydrin from oyl chloride, organophosphorus insecticides, and others. Some of these production lines and installations are shown on stands in the form of mockups.

The new developments offered under contract to the market by the Varnish, Pigment and Paint Industrial Central include primarily new varieties of dyes used in staining mixed fibers (Vopsider Brown VDGR, Teroul Red FL, MAGRA GRL

yellow), new varieties of epoxy resins of the DINOX type for the paint and varnish sector and the electronics and electrical engineering industries, and matte enamels (white, red, and black) used in the furniture and masonry industries. The spectrum of detergent products includes new packages of DERO AUTOMATIC, a detergent for use in automatic washing machines holding up to 3 kilograms.

There is also the Dero Auto Cosmetic kit, containing windshield washer liquid, Dero Orizont for cleaning upholstery, Dero Clar for automotive body washing, and S E Dero 100 for washing engines.

There is a special section exhibiting the achievements and export surpluses of the Drug and Cosmetic Industrial Central, the output of which is to increase 5-fold by the end of 1990. Along with original Romanian products intended for the foreign market, such as Gerovital, Trofopar, Ulcosilvanil, and Boicil Forte, the central is exhibiting for the first time Pentifilin, a powerful vasodilator indicated in peripheral and ocular circulatory disturbances, Pentoxyfilin, a vasodilator acting on the arteries and capillaries and improving blood viscosity, Tagremin, a sulfamide that acts on the respiratory and urinary passages and the genitals and that is effective in some digestive infections, Nicolen, a drug for treatment of duodenal ulcers, Meclozol, an antimycotic, and Rintal, an antihelminthic drug used in veterinary medicine.

Beauty products are also well represented at the Chemistry '86 Salon. The Miraj Cosmetics Enterprise in Bucharest, which is well known both in Romania and on the foreign market, is exhibiting a number of new products, such as complete lines of original Romanian cosmetics (Gerovital (R) and Pellamar (R) including tonic lotion and make-up removal liquid, the Miss Otilia line containing five cosmetic creams based on an active biological principle rich in amino acids and trace elements acting to regenerate cellular metabolism; new perfumes for women that have been developed recently, such as Bellatrix, a solid perfume (for the handbag), the first of its kind made in Romania, perfume "M" by Mirage with a delicate floral scent, Bolero, the Calipso and Lady X eau de toilette, the perfume Sonet, and Domino, with a soft, balsamlike fragrance, in semicrystal bottles. Nor have men been forgotten. The range of perfumes and colognes for them has been increased by addition of Nordic, a toilette perfume with a fresh aroma of wormwood in a crystal bottle, Gong, a toilette perfume with an aroma of tobacco emphasized by hints of herbs, Extaz, a toilette perfume with an aroma of forest moss, and the Bucuresti kit containing cologne and aftershave lotion with the same aroma.

The Farmec Enterprise in Club-Napoca is exhibiting a number of novelties: Gerovital Plant daytime and nighttime complexion care cream; Gerovital Plant deodorant; Deo Anotimp perfume in four varieties; a makeup kit which will undoubtedly find favor with women; the Romantic, Sport, and Pitic gift sets; and a household insecticide, Sin.

Another Romanian cosmetic product enterprise, Nivea in Brasov, known for its quality products, is exhibiting a number of new developments at the current

fair. An unquestionably outstanding item is the Sah set with chlorophyllin, recently awarded a gold medal at Incheba-Bratislava '86. Another outstanding product in another field is MF oil for lubrication of precision mechanisms, which received honorable mention at the same international event. Also exhibited are cosmetic and perfume products produced in cooperation with reputable foreign firms such as L'Oreal, Schwarzkopf, Helena Rubinstein, Wella, Gaba International, and Olivia.

Various nitrogen, phosphorus, and mixed chemical fertilizers are on display in the stands of the Chemical Fertilizer Industrial Central. On the basis of tasks and guidelines formulated by the secretary general of the party, Comrade Nicolae Ceausescu, special programs have been drawn up with the aim of achieving maximum utilization of domestic material resources and the creativity of specialists in every economic unit subordinate to the central. In the current stage, the ongoing efforts in the field of chemical fertilizers are paralleled by expansion of the manufacture of catalysts, acids, salts, organic products, solvents, and other macromolecular products.

Mention should be made at the same time of the efforts of some of the units of this central to contribute toward execution of special programs aimed at development of the electrical engineering industry. For example, specialists of the Valea Calugareasca Integrated Chemical Enterprise have initiated manufacture of degreasing agents, phosphate products, and agents for passivation of metal surfaces, spectral argon, pyrophosphate, and sodium pyrosulfite, while those at the Craiova Integrated Chemical Enterprise have introduced into production new types of catalysts needed for the manufacture of ammonia. The new products to be offered to foreign partners will include 15:15:15 complex fertilizers containing sulfur, 16:20:00 complex fertilizers containing sulfur, pure and concentrated phosphoric acid, monoammonium phosphate, and copper cement. Photosensitive products bearing the trademark Azomures will also be found in the display cases of the central. Along with medical, industrial, and technical x-ray film, color and black-and-white photographic film, 18-degree DIN and 24-degree negative film for amateur photographers, 1x8 super black-and-white reversible movie film, processing sets for black-and-white reversible film, and Virom 500 urea-formaldehyde adhesive containing less than 0.3 percent formaldehyde are on display for the first time.

In the immediate vicinity are the exhibits of the Fiber, Artificial Filament, and Cellulose Industrial Central in Braila and of the Wood Pulp, Paper, Cardboard, and Packing Materials Industrial Central in Bacau. They have added new products to their traditional product list, such as impregnated paper for air, fuel, and oil filter elements, Holerith wood pulp for silicone-treated cardboard, bulk-dyed general-purpose viscose silk thread obtained by a continuous manufacturing process, new types of surface-treated paper, silicone-treated technical paper and metal-coated absorbent, backing, and filter paper used for various industrial purposes, and new varieties of paper and cardboard articles.

In pavilion 5, the Romanian chemical exhibits also contain new products offered by the Non-ferrous and Rare Metal Industrial Central and the Inorganic Product Industrial Central. The new developments include atomized powdered aluminum, BCA powdered aluminum, cementing alloys with degreasing agent (Lp 10, Lp 60), pins for drill bits, mixtures of hard carbides plus powder, sealing rings for pumps used in the chemical industry, and type C coarsely powdered tungsten.

Among the new products exhibited and offered for export, mention may also be made of metallic lithium, powdered aluminum plus titanium, benzoic aldehyde, tertiary butyl-peroatoate, pheromones, diagrams for electrographic recording, structured-effect enamels, opaque enamels for automotive use, primers, and varnishes for the aeronautical industry.

The commercial negotiation offices of the Chimica Foreign Trade Enterprise and of other countries participating in the Chemistry '86 Salon are in the same pavilion.

As is to be seen even from this concise account, the variety of products offered by the Romanian chemical industry at the 1986 Bucharest International Fair is very extensive. The petrochemical participation is just as representative.

Petrochemistry occupies a prominent place in the process of socioeconomic development of Romania and modernization of economic structures, from the viewpoint both of output volume and of the role which it plays in better utilization of natural resources.

The vigorous development of this sector, which accounts for 11 percent of the total industrial production of Romania, is suggested by the fact that the output of the petrochemical industry increased by a factor of 7.3 over the 1965-1985 period, at an average annual rate of 10.4 percent, and industrial commodity output is to be nearly doubled during the 1986-1990 5-year plan.

The 1965-1985 period was marked by spectacular growth of this sector. For example, ethylene production increased by a factor of 36, and that of propylene by a factor of 135, substantial growth being recorded by caprolactam and acrylonitrile (by a factor of 24), phthalic anhydride (by a factor of 19.2), synthetic rubber (by a factor of 7), automotive tires (by a factor of 6), and basic macromolecular products (by a factor of 4.5).

These significant increases, accompanied by steady improvement in quality, have also led to massive increases in exports. It is noteworthy that Romanian petrochemical products are highly rated today in the more than 60 countries throughout the world to which they are exported. Exports of primary products have grown substantially over the last 21 years. For example, exports of plastics, synthetic resins, and processed products have increased by a factor of 6.7, synthetic rubber by a factor of 3, automotive tires by 5, and synthetic fibers and filaments by 163.

Product upgrading and modernization, which are basic requirements for highly efficient completion of the tasks assigned in the plan, simultaneously represent a priority goal for all units of the Ministry of the Petrochemical Industry. Action taken in this direction generates favorable effects from many viewpoints, making it possible to respond to the demands and requirements of domestic and foreign customers. At the 1986 Bucharest International Fair the Romanian petrochemical industry is exhibiting products made in five major industrial centrals including dozens of enterprises situated in all parts of the country. The great number of products displayed, most of them new and upgraded, illustrates the extensive supply of products for export, the majority of them being exported through the highly regarded foreign trade firm Danubiana. Words are incapable of describing adequately the variety of the exhibits which the architects and designers have undertaken to present as graphically as possible.

This brief review of the principal exhibits should not end without mention, among the manufacturers of the the Refinery and Petrochemical Industry Central in Ploiesti, of the gigantic Brazi Integrated Petrochemical Enterprise. This enterprise was recently visited by Comrade Nicolae Ceausescu, accompanied by Comrade Elena Ceausescu, on which occasion appreciation was expressed for the positive results obtained and valuable guidelines were given for further development of Romanian petrochemistry. Prominent among the products in the greatest demand on the foreign market are Carom 2,200 polyisoprene and Carom 2,230 polypropylene rubber, a number of catalysts for catalytic cracking, synthesis, gas desulfuration, and hydrofining of petroleum products.

Another specialized central, the Refinery and Petrochemical Central in Pitesti, is exhibiting Romter synthetic (ethylene propylene-diene) rubber, used in electric cable manufacture and Argetena high-density polyethylene for making rolled irrigation pipes, superthin film, and ethylene copolymers used in production of strong, thin bags.

As we know, synthetic fibers and filaments have experienced spectacular growth in recent decades. This growth has been given concrete expression in substantial increase in high-quality output, which is currently exported to more than 35 countries. Along with the well-known Relon polyamide, Melana acrylic, and Terom polyester fibers, at the 1985 fair the Savinesti Industrial Central is exhibiting a mixture of acrylic fibers and trilobate polyamide fibers used in the knitwear industry and high-gloss acrylic fibers subjected to antistatic treatment for use in making synthetic fur. Another innovation is amide 6 with 4-percent graphite added. It is injected into elements that require self-lubrication while in operation (bearings, gears, guides, etc).

An especially attractive exhibit is that of the Plastic Processing Central in Bucharest displaying the contribution of this subsector to the development of many areas of the national economy, as well as products for use directly by the public. First of all, there is an extremely wide range of items for the Dacia passenger automobiles (more than 220) and the Oltecit (more than 300).

The composite industrial polymer elements possess superior characteristics highly regarded by mechanical engineers, so that metal consumption per car is reduced, with resulting reduction of vehicle specific weight and lowering of fuel consumption, as well as superior and more attractive surface finish.

Also on display are fiberglass composition materials for machinebuilding and thermoformed articles of high-impact polystyrene and polyvinyl chloride for use in food packaging. The new types of multipurpose thermos bottles are noteworthy in the broad range of household products made in a spectrum of attractive colors.

Units of the Rubber Processing Industrial Central in Bucharest are exhibiting the modern series 70 group of passenger automobile tires, which assure much greater safety in turns and at high speeds, and new 22.5-inch tubeless tires for heavy trucks operated over long distances. More than 10 countries have recently imported from Romania the giant tires used with special-traction vehicles; these tires had been exhibited at the fair in previous years. The "leading-edge" exhibits include truck and passenger car tires with special antiskid profiles intended for use in mines and ensuring high endurance (road resistance) on unpaved roads. There are also conveyor belts with fabric and metal inserts for industrial use, use in mines, stone quarries, etc. Also significant is the fact that the Romanian rubber processing industry today makes more than 3,000 items for use in the Aro, Dacia, and Oltcit automobiles, Roman trucks, buses, and tractors.

As has been pointed out, the main exporter of Romanian petrochemical products is the Danubiana Foreign Trade Enterprise, which has been well known for more than 30 years among its partners abroad. The prestige it enjoys is attested not just by the permanent commercial relations it maintains with more than 1,200 firms but by the impressive international prizes it has been awarded, including especially the International Quality Trophy received in Madrid and the Golden Mercury which it was awarded in 1980.

Such is our brief account of the image of chemistry and petrochemistry presented at the 1986 Bucharest International Fair. We should add that some of the materials themselves used in creating the displays are products of the petrochemical industry (the rubber slabs used in flooring of original design, made by the Industrial Rubber Article Integrated Enterprise in Jilava, the methyl polymethacrylate with which the graphics were produced, made by Carbosin in Copsa Mica, and the polyester fiber fabric made in Jassy, etc). These items were combined with an ingenious architectural layout to create the attractive displays.

6115
2700/96

ACTION TO INCREASE BANK SAVINGS DEPOSITS

Bucharest REVISTA ECONOMICA in Romanian No 43, 24 Oct 86 p 13

[Article by Maria Chirita, director, Savings and Loan Bank Central: "Development of the Campaign for Savings, an Expression of Increase in Private Incomes"]

[Text] The organization of a Economy Week from 25 to 31 October of each year has become a fine tradition in Romania. It is an occasion for carrying out a number of initiatives designed to develop a spirit of thrift. Moreover, for more than 60 years 31 October has been celebrated throughout the world as "World Savings Day." This day is a symbol of human wisdom, because a spirit of thrift, unlike the phenomenon of greed, is a manifestation of man's ability to manage his material and financial resources as sensibly as possible to satisfy current or future needs.

The campaign for saving has developed vigorously during the years of socialist construction, and especially over the last 2 decades, in the context of the significant success achieved in economic and social development. The reason is that the income of Romanian citizens has continually increased. In addition to satisfying current needs, this has allowed them to put financial resources aside to purchase costly items for which large sums of money must be saved, to ensure an ever higher quality of life in the future.

The development of the savings program organized by the CEC [Savings and Loan Bank], an institution authorized to hold and increase the financial savings of the public, is reflected from year to year in the dynamics and structures that are among the most important ones in improving the quality of life, and expressing the profound humanism of the policy of our party, which has as one of its constant concerns satisfaction of the needs of the public at ever higher levels. It is a significant achievement of the last 2 decades that the general balance of private savings with the CEC is currently 18.9 times higher than in 1965, and that, as of 1 October 1986, this level was 9.8 percent higher than it was in 1985. The evolution of the savings program is also graphically reflected in the increase in the average balance per inhabitant, which on 1 October 1986 was 15.8 times higher than in 1965.

Stepping up the savings program, which also includes public relations, has also led to increase in the degree of penetration of the savings campaign among the masses, as is reflected in the number of bank saving passbooks held by citizens. The number of such passbooks has now reached 25.4 million, as against 17.9 million at the end of the last 5-year plan. In addition, a substantial number of citizens have savings in the form of CEC income-yielding bonds, and adolescents and children in the form of pupil and student savings books, savings sheets and stamps, and school saving checks.

Analysis of evolution of the balance on deposit in the form of different savings instruments shows that the public has shown a preference for savings accounts with fixed-term interest. There has also been an increase in deposits in individual checking accounts and interest-bearing, income-yielding savings accounts for passenger automobiles. Deposits in these savings instruments currently represent 72.3 percent of the general balance of public savings. This trend has also continued in 1986. At the same time, the period of deposit of 1 leu with the CEC has increased, from 789 days in 1980 to 1,152 days at the end of 1985.

The method of deposit with the CEC by transfer based on written consent occupies a separate place in the context of the sustained effort to intensify and diversify savings. The nearly 500,000 citizens who have opted for this efficient method of keeping and increasing individual financial savings enjoy a number of specific benefits in addition to the general advantages of organized saving through the CEC. They are represented chiefly by elimination of trips to the bank, and accordingly a saving of the depositor's time, inasmuch as deposits are made at the place of work, and by systematic, regular saving accompanied by formation of the habit of saving each month to meet future needs.

In addition to the well-known savings instruments that have now become traditional and familiar, such as the savings passbook with interest credited at sight, the savings passbook with interest at a term of at least 1 year, the savings passbook with earned interest and income, the savings passbook for tourism, and the savings passbook with earned interest and income for passenger automobiles, an increasing number of persons are opting for new, modern, and extremely advantageous methods whereby available money can be saved and used. For example, hundreds of thousands of citizens are currently saving with personal checking accounts. The holders of these accounts benefit both from the general advantages afforded by the Savings and Loan Bank and from the specific advantages of this instrument, with which they can save and make different payments to socialist, commercial, or service units. Specifically, within the limits of the existing balance personal checking accounts can be used to make periodic transfers to pay telephone bills, for radio and television services, sanitary engineering services, electric power and gas bills, and so forth. Other hundreds of thousands of citizens are saving with CEC income-yielding bonds. This savings instrument, made out to the bearer, is made available to the public in urban and rural areas, in the numbers desired, by all CEC and postal units.

The CEC saving program and further progress of the program obviously also depend on the operations performed at the counters of CEC units. Hence one of the major objectives of all CEC units is provision of the most efficient possible service to depositors also by expanding and consolidating the network of CEC units. As a result, 1,098 new CEC units were established during the 5-year plan just ended. The number of such units now amounts to 10,756, and the network will continue to expand along with increase in the number of depositors and construction of new housing developments and residential districts. By developing and updating its network of service units, setting up an operating program coordinated with the needs of residents in urban and rural areas, constantly training counter service personnel, and taking other specific measures, the Savings and Loan Bank is now properly performing its functions, and will continue to do so in the future, in its capacity of a bank specializing in relations with individual citizens.

In the ongoing effort to improve the quality of the work done by CEC units, the Savings and Loan Bank devotes particular attention to improving the professional training of all personnel, by means of thorough organization of on-the-job training and many other forms of instruction and by initiating periodic meetings and exchanges of experience. Our attention is at all times focused on creating in all our personnel a healthy mindset, a proper attitude of concern for the depositing public. We are convinced that only in this way can we assure good service for the public and increase the prestige of the Savings and Loan Bank.

To intensify the savings campaign further and provide better knowledge of the activities conducted by the Savings and Loan Bank, a large number of discussions, exhibits, film screenings, meetings, etc will be organized on the occasion of Economy Week in enterprises and institutions, industrial centers, mining and forestry basins, schools and universities, and houses of culture and cultural centers throughout the country. Specific events and competitions on the subject of economy will also be held on the occasion of Economy Day, which is celebrated on 26 October.

All the projects and events in question have the aim of developing a spirit of economy among citizens and of promoting the process of saving and improving the welfare of members of society.

6115
CSO: 2700/96

FEC PLAN FOR UNDERDEVELOPED REPUBLICS, KOSOVO CRITICIZED

Zagreb VJESNIK in Serbo-Croatian 12 Oct 87 p 5

[Article by Predrag Tasic: "Underdeveloped Areas Step Under the Magnifying Lens"]

[Text] In the middle of last week, the Federal Executive Council specified the positions and proposals on measures for the economic and financial consolidation of the economy and the banks of Macedonia, Montenegro, and Kosovo. What does this step of the federal government bring?

When, in the middle of last month, the Federal Executive Council increased sugar and oil prices by approximately 50 percent, all those who thought that the new government would make a decisive move toward changes had an uneasy feeling.

That decision continued the past policy of compromise, which is not in anybody's interest. Producers of sugar and oil were still dissatisfied because the prices they had requested were a third higher. Yugoslavia's economy was denied the opportunity to deal decisively with its excess production capacity, and the price increases did nothing for the consumers. When, in the middle of last week, the Federal Executive Council specified the positions and proposals dealing with measures for an economic and financial consolidation of the economy and the banks in Macedonia, Montenegro, and Kosovo, the uneasy feeling changed to fear.

This is not only because the problem of the underdeveloped parts of Yugoslavia continues to be "solved" by "transfers from an empty vessels into a leaking one," but also because it was announced that, for the first time, a Yugoslav government could attempt to correct the economies of the underdeveloped areas, by assuming a great deal of responsibility and no authority. When, in reading the communique we reach the place dealing with a "selective consolidation" that would also attempt to save organizations "important for the economic and overall social development of these republics and the province of Kosovo," new questions are raised.

Why Is the Chasm Widening?

Does this mean that the entire Yugoslav community will pay off the loans incurred by "FERONIKL" from LOGOVAC, "FENI" from Kavadarac, and all the other

failed investments in these two republics and Kosovo? Does it mean that everything that the Federal Executive Council has done, to be sure quietly and adroitly, is a harbinger of a new practice in the autarchic development of certain parts of Yugoslavia, namely having the republics and provinces continue to decide on their development while submitting the bills to the federation?

All of this does not mean that we are trying to cast doubt on the fact that the underdeveloped regions of Yugoslavia, especially Macedonia, Montenegro, and Kosovo, are in an exceptionally difficult situation or that a country that advocates the building of socialism in its highest form (self-management) must help them. This is indisputable. What is questionable, however, is the answer to the question of why is the chasm between the developed and underdeveloped areas widening, and how can one help the underdeveloped areas?

The deepening socio-economic crisis and especially the high inflation rate have, in the current economic structure of Yugoslavia, repercussions for certain areas, namely that "the rich get richer and the poor get poorer." Montenegro's economy is in the worst position, since for several years it has been unable to repay obligations that have come due. Its rate of indebtedness is 2.5 times higher than the Yugoslav average. The indebtedness of Kosovo's economy is 50 percent higher than the Yugoslav average, and Macedonia's is 40 percent higher. All these economies, and Montenegro's especially, have developed by using borrowed domestic and foreign capital. At the beginning of the last medium-term period, of all the capital in Montenegro, 59.9 percent was borrowed. Of this, 20.8 percent were foreign loans, which is 45.5 percent above the Yugoslav average.

Exchange rate differences and high nominal interest rates contributed to the deterioration of the underdeveloped areas position, and it is therefore understandable why their delegates and politicians are against the introduction of a real exchange rate for the dinar and the establishment of real and positive interest rates. For example, only the due annual obligations from long-term loans to Montenegro's economy last year were more than twice as much as the total accumulation of capital and amortization. The economy and the banks are illiquid. Due and unpaid obligations of organizations of associated labor to banks in Montenegro amount to more than 50 percent of the realized income, and consequently the revolving accounts of many organizations are constantly blocked.

In both Montenegro and Kosovo (we have no data for Macedonia, which does not mean that the same practice is not followed there) resources from the federation's loan fund for the faster development of the underdeveloped areas are used to unblock accounts and restore liquidity to the banks. For example, the National Bank of Yugoslavia several times used its legal powers in 1984 and 1985 to block the revolving account of the Association Bank of Kosovo because of unpaid dinar countervales of fixed and guaranteed obligations stemming from foreign loans. Resources from the federation fund were used to unblock this revolving account.

Had it not been for "FENI"

Likek Montenegro, Kosovo is not able to repay its loans by itself. The province's indebtedness, calculated in terms of convertible currency influx, is over 150 percent. On the average, Kosovo must repay 184 million dollars (principal and interest) annually until 1990, in addition to approximately 100 million dollars to Yugoslav banks and the National Bank of Yugoslavia. Most of these debts stem from projects which are still not fully functional, and some of them never will be (24.7 million dollars for "KOSOVO B," 24.2 for "FERONIKL," 34 for "ZTO," 24.5 for the road system, etc.). The problem is not just the fact that Kosovo has no money to repay these debts, but also that from year to year it has less and less money and ability to repay the loans.

Had it not become involved in the "FENI" venture, Macedonia would not be facing bankruptcy today. Instead, the results of its average economic growth would put it around the average Yugoslav growth. According to some data from Macedonia, the repayment of "FENI's" debts takes up over 75 percent of the total accumulation of capital of the republic, which must have heavy consequences. None of our republics or provinces had to pay as much for a failed investment--and we have more than enough of such investments--as Macedonia had to pay for "FENI."

For several years, the workers in Macedonia have been receiving exceptionally low wages. Still, "FENI" has submitted its bills to the entire Yugoslav community. The fact that Macedonia is maintaining an exceptionally high rate of industrial production, while at the same time decreasing the extent to which exports are covered by imports, indicates that this is being achieved with new loans that somebody else will have to repay again!

A Lot of Investments and Few Returns

There are far more figures available than what is needed by a newspaper article. Instead of continuing to present them, we will try to answer why the chasm between the developed and underdeveloped areas continues to widen.

The fundamental reason is the different bases (extent of development) from which the republics and provinces in new Yugoslavia started out. According to statistical data on development in Yugoslavia from 1918 to 1938, most of the investments took place in Slovenia, Croatia, Serbia proper, and Vojvodina, while the industries of Bosnia and Hercegovina, Macedonia, and Montenegro were neglected. Trends in gross investments by population in the 1952-1982 period indicate that during the post-war period Slovenia and Croatia enjoyed investments that were above the Yugoslav average. One underdeveloped republic, Montenegro, found itself in this company. While investments in Croatia (at the level of 28.1 percent of the social product) and Slovenia (26 percent) were a realistic reflection of their capabilities, those in Montenegro, amounting to as much as 57.4 percent of the social product, were not.

A great deal has been invested in all the underdeveloped areas in post war Yugoslavia, but the effects have been negligible, primarily because of inefficient investments. If, for example, 100 dinars invested in the economy of Yugoslavia yielded 15.7 dinars (which is also a dramatic indicator of inefficiency), 14.3 dinars in Macedonia, 10.5 dinars in Montenegro, and only 9 dinars in Kosovo, one wonders why: first of all, great overruns (in relation to estimated costs, the overruns are greatest in Macedonia, as much as 52 percent, followed by 38.6 percent in Kosovo and 21 percent in Montenegro), delays in activating the installations, low level of investing one's own resources (in Yugoslavia, self-financing of investments is 44.4 percent, in Macedonia, 26.3 percent, in Montenegro 22.5 percent, and in Kosovo only 13 percent), great reliance on loans, etc.

Furthermore, all other qualitative factors of doing business are impermissibly low. Labor productivity is 22 percent below average in Montenegro, and as much as 35 percent below average in Macedonia and Kosovo. In secondary distribution, these economies get to keep much less than the Yugoslav average. The percentage of losses in income is growing, primarily because unearned income is being paid out. In Macedonia, personal incomes not covered by realized net income account for 50 percent of the total losses of this republic, while in Montenegro and Kosovo they account for as much as 65 percent (last year's average for Yugoslavia was 48 percent).

Since Things Were Built in This Manner

The underdeveloped areas, however, prefer to point to a different reason: they invested the borrowed funds into capital-intensive activities and infrastructure, which take longer to build, and the capital coefficient is also higher. This has contributed to low investment efficiency. Projects were built which took longer to become operational. At the same time, by depressing the prices of energy and raw materials, the state made the already long period of becoming operational even longer, thus preventing a faster development of the underdeveloped areas. Other parts of the country developed by taking advantage of the low prices of raw materials and energy. Some economists use this argument to draw the conclusion that the production of low-priced raw materials and energy was in the interest of Yugoslavia, but not of its underdeveloped areas. On the other hand, the proliferation of production capacity was not in the interest of Yugoslavia, but it made possible a further development of the developed areas.

The essence of the problem of the widening chasm between the developed and underdeveloped areas does not lie in the depressed prices of energy and raw materials (which does not mean that one should not establish and preserve parity for all prices, including those of energy and raw materials), but rather in the lack of a joint development strategy. Just as the lack of a thought out development policy, based on comparative advantages, hurt the underdeveloped areas before the crisis broke out, the most recent attempts to achieve, through coercion, unregulated prices for energy and low prices will fail to make up for it. They will, however, hurt the entire country by decreasing its competitiveness in foreign markets and accelerating inflation.

In addition to a low base, lack of a thought out development strategy, and low yield of investments, high birth rates contributed to increasing the differences between the developed and underdeveloped areas. In Yugoslavia, the average natural birth rate is 7.1 per 1,000; in Montenegro, it is 11.2; in Macedonia, 12.7; and in Kosovo, it reaches 25.2. The extent to which birth rates affect economic growth and economic results is demonstrated by the growth in social product by itself and in comparison with the number of inhabitants. From 1956 to 1983, Yugoslav social product grew at an average rate of 5.7 percent. Kosovo had the same rate of growth, while Macedonia and Montenegro had even higher ones (5.9 percent). When one places this rate of growth in relation with the number of inhabitants, the Yugoslav average turns out to be 4.7 percent, Montenegro's 4.7 percent, Macedonia's 4.5 percent, and Kosovo's 3.2 percent.

American economists have calculated that to support an annual increase in population of only 1 percent, a 4 to 5 percent increase in national income is necessary. According to our estimate, Kosovo from 1965 to 1983 not only did not have the economic growth needed to feed its increased population (not to talk about improving the standard of living), but, through the solidarity of population from other parts of the country as well as loans from abroad, received financial aid to feed its population, whose standard of living had already been extremely low.

Not only Kosovo, but also other underdeveloped areas have received enough help until now. Let us just mention the period from 1981 to 1984 when 1.6 billion dollars in loans from International Bank for Reconstruction and Development was received, the more than 300 million dollars disbursed through various measures taken at the level of the federation, etc. They yielded no results and simply increased the inflation.

False Solidarity Is Expensive

Even though it is increasingly difficult to find common Yugoslav interests in view of the increased differences in development, it is clear that the correct and only way to achieve an optimal strategy for common development is one based on division of labor. Regardless of how insensitive this may sound, in purely economic terms the faster development of the underdeveloped areas is not a precondition for the faster development of Yugoslav economy. On the contrary, if one takes into account the relationship between the North and the South on a world scale, one could conclude that the opposite is true. Still, we are building socialism and cannot reconcile ourselves to a development that takes place at the expense of one part of the country. Consequently, the solution lies in a division of labor, and not in a false solidarity which in the final analysis does not benefit anyone and harms everybody.

To use an oversimplification, this means that labor-intensive activities should be moved to the underdeveloped areas of the country. It makes no economic sense to have 15 percent of the textile industry concentrated in Slovenia. The same is true of all other types of production that require a

large labor force. The developed areas should invest in information systems and tertiary activities. As far as the exploitation of energy and raw materials is concerned, this should become a joint investment undertaking of all the republics and provinces, according to use. In this context, instead of the Loan Fund for the Faster Development of Underdeveloped Areas which has turned out to be (whether or not one wants to admit this) a basic mechanism for transferring funds "from an empty vessel into a leaking one," it would be necessary to consider some kind of Yugoslav fund for the exploitation of energy and raw materials.

Finally, the struggle against the high birth rate must cease to be a taboo topic for the underdeveloped areas. Side by side with decreasing the birth rate and raising the standard of living, it would be necessary to make possible a greater migration from the underdeveloped to the developed parts of the country.

Not only proposals from the Federal Executive Council, but also discussions that are now under way in the assemblies of the republics and provinces as well as in the Federal Assembly (on the topic of concluding the social agreement on the fastest possible development of Kosovo to the year 1990, to be funded by the federation) point out that there were still no indications of any qualitative changes in encouraging development of the underdeveloped areas. Instead of a well thought-out policy for joint development guesswork prevails. One side wants to give as little as possible, while the other wants to get as much as possible! We must, however, admit that even such a "policy" could decrease the differences between the developed and underdeveloped areas, by making the developed ones more and more underdeveloped.

9110/7051
CSO: 2800/38

USE OF SIMULATORS AT BORDER TROOP COLLEGE CITED

Schwerin SCHWERINER VOLKSZEITUNG in German 29 Oct 86 p 6

[Text] Torsten Figger of Buetzow completed courses at the "Rosa Luxemburg" Officer Training School of the GDR border troops in Suhl only a couple of weeks ago, and was on leave visiting his parents for the weekend. The 21-year-old, who completed professional training as a gas and heater assembler and who intends to study shipbuilding later in Rostock, completed one year of officer training and is presently performing an additional three-year tour in the defense of peace as platoon leader at the national border.

This decision, as Torsten Figger assured us, was doubtless influenced by his father's example, who defended our young republic from its foundation in 1949 for ten years, and is today an instructor and National People's Army (NPA) reservist, more precisely, Reserve Major. His insight into the social requirement of first deferring his personal study goals, has been reinforced in his weeks of duty at the sensitive line separating Warsaw Pact and NATO, as the young comrade told us.

Since 1981 our national border has been infringed 44,000 times from the FRG and West Berlin, as Defense Minister Heinz Kessler informed the 11th Party Congress. For the "routine" of the border soldier, this means to know precisely the daily political situation and the actual tactical situation in the border sector at every moment, in order to react quickly and decisively and deliberately to every event. The following article by Jens Sell discusses how the young officer was prepared for such demands at the officer training school, using computers and data terminals on a "training border". He was more or less looking over Torsten Figger's shoulder during the examination period.

2,400 LEDs and 3 sacks of sawdust, 3,500 meters of wire, 120 liters of cold glue, and 3 cubic meters of polystyrene foam have been used in the impressive terrain relief which takes up six times 2.5 meters on a scale of 1:2,500 at Suhl and represents a training border sector. By using the cleverly arranged LEDs, different versions of border strikes and provocations--controlled by an MC 80 computer--can be simulated, together with the "text-book" reactions of the border security forces. The relief and computer are the core of the terrain training course on border security. The turret of a command post protrudes into the simulated border sector next to this flat

structure. Up here, Thomas Tradler and Torsten Figger alternate as commander in border security or as security and observation sentries. They have to react correctly to "situations" in the terrain and to control the operations of the border troops--also represented by officer candidates--who are simultaneously practicing tasks of sentries and alert groups. Besides the original equipment, the "command post" has a TV camera which transmits the action to three monitors in the terrain training classroom. There, officer candidates complete their testing in the subject of border security, by answering questions on the particular situation.

The action in the border sector is controlled by radio by LT/COL Eberhard Jaeger, instructional director at this department. His "command central" is to the right of the terrain relief, next to the computer, which sends analog pulses to the LEDs. LT/COL Jaeger is the head man for this hour of instruction. He checks the two officer candidates in the control center via one of the screens and corrects their errors, while watching the events in the "border sector" through the large window in the training class. Of course, the way he arranges the sequence of events will have an affect beyond this training class and the immediate surroundings. A thick TV cable connects this complex with the teaching building of the officer candidate school. Another part of this training facility, the technical training classroom on border security, is located there.

The officer candidates arriving here receive all information about the events in the training terrain and at the command post via monitors and loudspeaker. In addition, from the administration room at the front, training films, slides, and photos can be played and the instruction made more realistic. On each side of the technical training classroom, a dozen doors lead to individual work stations with command and communications equipment.

This complex system of training and instruction stations and classrooms, in connection with the border training sector, allows an extremely effective and realistic scientific border training of several platoons of officer candidates at once. Several years of research and development, numerous suggested improvements, and fruitful exchanges with partners in industry and at the engineering university at Ilmenau--they were responsible for programming the computer--had to be invested for its completion. Once the officer training school of border troops was relocated to its new site in 1984, good construction prerequisites were also created for it. More than just 2,400 LEDs and three bags of sawdust was needed. An interest in the introduction of computer technology, a burning enthusiasm for intensification of border service training among all participating training officers and officer candidates--those were the prerequisites for the establishment of the border security technical training classes.

9280/9835
CSO: 2300/145

SDI PROGRAM, GOALS CRITICIZED, CALLED THREAT TO EXISTENCE

East Berlin EINHEIT in German Vol 41 No 12, Dec 86 (signed to press 12 Nov 86)
pp 1133-1137

[Article by Col Dr Wilfried Schreiber, of the "Wilhelm Pieck" Military-Political College, member of the GDR Peace Council's Advisory Committee for Space Affairs: "On SDI As a Threat to Mankind's Existence"]

[Text] The course of the meeting between Mikhail Gorbachev, general secretary of the CPSU Central Committee, and U.S. President Ronald Reagan on 10 and 11 October this year in Reykjavik demonstrated that, given the proper political will, real possibilities exist for clearly diminishing the danger of a nuclear inferno still in this decade and to ban it definitively still in this century.¹ Yet that tangible, truly historic agreement was wrecked because of the Reagan Administration's rigid manner of holding on to its "Star Wars" program. Having come to Reykjavik with a package of compromise proposals that boldly indicated the desire for a breakthrough, the Soviet Union showed much consideration also on this issue. It agreed to a 10-year cycle of U.S. laboratory research within the scope of the SDI program--yet even that offer went nowhere with the U.S. delegation. Through rejecting this proposal, which also would have strengthened the 1972 ABM Treaty, SDI became the crucial obstacle to worldwide disarmament and detente, a "symbol for obstructing peace, a concentrated expression of militaristic plans and of a lack of intention to rid mankind of the nuclear threat."²

The truth about Reykjavik demands an answer to the question why the U.S. President held on to SDI and the USSR categorically ruled out its consent to testing and deploying in space weapons systems connected with SDI.

The Offensive Potential of SDI

As the Reykjavik meeting demonstrated, the U.S. President is not free in his decision-making but is greatly dependent on the military-industrial complex. Especially the "Star Wars" faction of that power conglomerate of the most aggressive U.S. forces contemplates achieving two goals through SDI which it thought jeopardized in Reykjavik.

First: After the nuclear arms race those forces triggered did not provide the desired advantages, they chose space as the domain in which they hope to achieve military supremacy. They mainly speculate on technologically

out-distancing the USSR through the development of space weapons, whereby eventually to alter the whole military power ratio in their favor. Through supremacy in space they want to achieve supremacy on the earth, as it was put unabashedly even way back in 1983 by the Pentagon Airforce Undersecretary of State E. Aldridge. SDI as a vehicle for world domination--that is the decisive and, with it, most dangerous goal of the forces of the military-industrial complex.

Second: The large armaments trusts that form the economic core of the military-industrial complex promise themselves enormous profits from space weapons and the arms race escalation that comes with them. To them SDI is the armaments business of the century, extending into the next millenium and ensuring them over long range of economic and political power positions. Especially that small group of major profiteers which also belongs to the 25 most profitable U.S. armaments trusts is eager that its transition to producing these weapons systems with its legendary profits will not be blocked.

Of course, right now those two objectives are not being formulated all too clearly. Instead they are belaboring, in particular, the contention of a presumably exclusive defensive function of space weapons. What, however, are the facts? Through SDI an entirely new class of weapons would evolve with offensive properties to an extraordinary degree. These are weapons intended against objects in space or--from space--of targets in space, but ultimately also on the earth. New technologies and physical working principles are to be used for it such as direct energy in the form of high-efficiency lasers or high-energy particle radiation, but also new possibilities in the use of kinetic energy like electromagnetic guns and target-seeking miniaturized projectiles.

What reveals the offensive capability of such weapons systems?

Above all, space weapons are a key link for effectively launching strategic nuclear weapons and an element of the desired streamlined nuclear-space first-strike potential of the United States. In contradiction to the widely reiterated contentions from Washington that SDI supposedly is to render nuclear arms obsolete, they do all they can there at the same time in further expanding, parallel to space armaments, the arsenal of U.S. strategic offensive weapons, qualitatively and quantitatively. They are working on new types of strategic nuclear arms. That includes the ICBM's MX and Midgetman, the Trident 2-D5 submarine rocket, the strategic bombers B 1 B and Stealth, and large-range cruise missiles launched from land, the air, and the sea. By 1992/93, the number of nuclear warheads on strategic weapons is supposed to have grown from roughly 12,000 at this time to about 20,000.

The planned space weapons as well as the nuclear launch systems with the appropriate nuclear ammunition are means through which the most aggressive imperialist forces intend to acquire the ability to eliminate the strategic potential of the USSR in a surprise attack and destroy the command and control centers of the Soviet Union and the armed forces of the Warsaw Pact states as well as the ICBM's in their silos through nuclear precision strikes. USSR rockets surviving a U.S. nuclear first strike--so they figure--could thereafter then be destroyed by space or ground-launched antirocket weapons at take-off or during their flight. The socialist defense coalition is meant

to be disarmed and to be deprived of the capability for a counter-strike. Ultimately then, what these forces are after is no nuclear first strike, but a sole nuclear strike.

Against that background it becomes completely apparent that there can be no breakthrough in nuclear armaments on earth when one is arming in space at the same time. It also reveals the true motives of those forces in the West that are worried exclusively about reducing the land-based strategic missiles, precisely those USSR weapons against which the SDI program is primarily aimed and the reduction of which would only heighten the degree of effectiveness in U.S. space weaponry. That this is in fact what the United States is counting on is attested to by a military-strategic expert of the Reagan Administration, Colin S. Gray, who was not afraid to speak his mind before the official start of the space weapons program: "A combination of an offensive disarming strike, civil defense, and a defensive system against ballistic missiles or air defense should have to keep U.S. losses so low that national survival and reconstruction are possible."³ The deployment of space weapons is to make victory in a nuclear war possible. But that precisely contradicts the "axiom of the international relations in our era which the leaders of the USSR and the United States signed last year, and which points out that no nuclear war must be unleashed and that no one can win it."⁴

If the Reagan Administration keeps holding on so stubbornly to SDI and shrugs off all the doubts even from prominent scientists and military in its own camp about the possibility and suitability of an effective defense against strategic missiles, it cannot exclusively be explained by the functional connection between space weapons and nuclear weapons.

Moreover, the planned space weapons have a high degree of offensive capability per se. Thereby precisely the U.S. military planners, mainly in the 1970's, explained their demands for developing radiological space weapons. Even without nuclear arms directly involved, surprising military strikes from space against many ground, air, and sea targets are conceivable. That could be, e.g., launch platforms with rockets on them, aircraft on the ground or in the air, command and communication centers and other stationary or moveable targets found in the hinterland of the socialist defense coalition.

Furthermore, the U.S. first-strike strategists regard offensive laser weapons, one of the earliest deployable SDI techniques, as an enticing chance to knock down satellites on high circumferential courses, at an altitude of over 2,000 km that is, which cannot be done with the antisatellite techniques known thus far. The point thus is to paralyze the early warning, information and communication system the USSR has in space.

Finally, offensive strikes by space weapons potentially are also possible against such targets as nuclear power plants, chemical enterprises, pipelines, oil refineries, tankers and also forests, corn fields and other "soft" targets. That can cause fires, fire storms, infestations, and devastations tantamount to the effects from nuclear weapons. The arms laboratory R&D Associates in California reaches a similar conclusion in a study on the deployment possibilities of weapons systems in the SDI program. "A laser system that can neutralize the threat from ballistic missiles also can destroy enemy cities.

The attack would go from city to city and would last only a few minutes for each city. It would be no destruction by nuclear weapons and would yet be Armageddon.⁵ Space weapons thus can by no means be used only in a global war with nuclear missiles, but also in limited regional aggressive operations of the United States, for which reason they constitute a direct threat also to insubordinate developing countries.

For the long run the adherents to SDI contemplate the development of a qualitatively new non-nuclear first-strike potential that is to equip them for surprise strikes against precision or area targets through closely combining space weapons with novel conventional and chemical weapons. With respect to that then, this insisting on the development space weapons also reflects the intention to achieve military superiority, as it were, without or with fewer nuclear weapons, through the back door, one may say. The overall concept of the military-strategic deliberations of the current U.S. Administration leaves no doubt that the planned space weapons clearly are aggressive weapons meant to shore up materially a policy of strength. Precisely this aim was confirmed by C. Weinberger himself during a hearing on the 1985 Pentagon budget: "If we could get a system that is effective and of which we know it will make their weapons ineffective, we would be back in the situation like the one we were in when we were the only nation with the nuclear weapon." In this connection it also becomes clear what the "safety police" is all about that Reagan makes the SDI program out to be for the United States. In truth SDI is supposed to be a "safety police" for achieving military superiority.

The USSR has reiterated emphatically that it will allow no change in the military-strategic power ratio for the benefit of the United States and, in case the SDI program is continued, take military counter-measures. They will certainly be appropriate to the risk threatening the USSR and its allies. That also includes the capability "to neutralize, if necessary, the electronic space 'Star Wars' machinery created by the Americans."⁶

A New Source of Deadly Danger to Mankind

The position of the USSR is determined by its responsibility for the destiny of all mankind, from which the attractiveness and strength of its policy stem. Seeking to prevent the development and deployment of space weapons, it assumes that as a consequence of the SDI program "we reach another limit behind which another round in the arms race becomes unavoidable, and this with unpredictable consequences in the political and military respect."⁷ Two fundamental consequences are already becoming clearly prominent here.

First: To the extent that the United States is pushing its plans to create space weapons, the international situation is further destabilized. "The insistence by the United States on its space armaments program today already blocks progress in disarmament negotiations," as Erich Honecker put it. "If the arms race is stimulated, the mountains of weapons keep growing. Greater security can that way not be achieved, on the contrary, the world becomes more insecure, the international situation, unpredictable."⁸ There is the risk that all agreements made thus far and all the successes toward arms limitation are wiped out. That is true particularly of the 1972 ABM Treaty, which contains the obligation of the USSR and the United States "to create

no missile defense systems or components thereof at sea, in the air, in space or moveable systems on land or sea and maintain them" apart from the systems territorially agreed on and quantitatively and qualitatively restricted.⁹ In particular that treaty outlaws creating country-wide missile defense. That treaty, without a time limit, was the starting point and still is the basis for the entire nuclear arms limitation or reduction process. Terminating it would radically cut down the prospects of a turn to the better in the international situation by means of disarmament. Furthermore, the entire bilateral and multilateral set of arms limitation and disarmament treaties would be seriously jeopardized. The result would be an unbridled arms race escalation in all areas. In view of the increasing imponderabilities and the still more complicated structure of the military correlation of forces, the prevailing strategic balance could turn into a strategic chaos. Connected with it would be growing distrust, uncertainties about the political and military intentions of the states, and increasing pressure on decision-making by the political leaders in times of crisis. Added to it would have to be the far-reaching economic and social consequences of the arms race and the ominous effects of the unsolved global problems of mankind on the totality of international relations and the security of all states.

Second: Due to the destabilization of the international situation already underway through the development and testing of space weapons, a direct deployment of such weapons would carry along a nearly uncontrollable risk of the outbreak of a world conflagration. Those weapons would increasingly expand warfare by an entirely new dimension. Military operations in and from space against the earth could trigger a worldwide nuclear war on earth. Through wrong computations or technical failure in the extremely complicated and therefore interference-prone computer systems, which largely through excluding human influence make automated decisions, a war using space weapons can break out with lightning speed and escalate into global nuclear war. The explosion of the Challenger rocket and still some other large U.S. carrier rockets, which were meant to take military satellites into circuits, shows how vulnerable highly complicated automated systems can be. Under the conditions of a militarized space, such technical failures could have unforeseeable consequences. Decisive for the danger of such weapons, however, is that there actually are forces that are ready to employ space weapons in fact. For that matter, the false belief in the infallibility of such systems alone could mislead the U.S. leadership into a nuclear surprise attack against the USSR and its allies. The development and deployment of space weapons would hence drastically raise the risk of the use of nuclear weapons. Yet even without nuclear weapons, even from the combined use of novel conventional and chemical weapons, the production of which has already started, devastating effects would result. Mainly in view of these diversified and far-reaching employment possibilities space weapons constitute a new source of deadly danger for all mankind.

Politically alone can one achieve security. "The U.S. Administration's holding on to the SDI program contradicts all logic. For if both sides were to agree on abolishing atomic weapons and observing, even strengthening, the ABM Treaty, the buildup of the so-called 'space defense system' by the United States against missiles would be senseless. Holding on to the SDI program can have no other purpose but to provide the United States with military superiority and with a first-strike capability against the Soviet Union."¹⁰

The USSR has submitted a comprehensive program for strengthening international security. The key problem more and more clearly always turns out to be preventing the militarization of space. The way to it goes via the strict observance of the ABM Treaty provisions and the complete prohibition of nuclear explosions. That holds true after Reykjavik more than before. Therein lies the real security guarantee which mankind needs and to which we are pledged with all our strength in a new phase of our struggle to prevent a nuclear inferno. "Now it matters all the more to provide with all the forces of reason and realism for a fundamental solution of the problems of war and peace. There is no other way."¹¹

FOOTNOTES

1. Cf. "Now All the More With All the Forces of Reason for Preventing a Nuclear Inferno--Position Taken by the SED Central Committee Politburo, the State Council, and the GDR Council of Ministers," NEUES DEUTSCHLAND, 23 October 1986, p 2.
2. "Mikhail Gorbachev--How the Meeting Went and How Things Will Continue after Reykjavik," NEUES DEUTSCHLAND, 15 October 1986, p 3.
3. Colin S. Gray/Keith Payne, "Victory Is Possible," BLAETTER FUER DEUTSCHE UND INTERNATIONALE POLITIK, Cologne, No 12, 1980, pp 1508-09.
4. "Mikhail Gorbachev--USSR Proposals Conform to the Yearning for Peace by All Peoples," NEUES DEUTSCHLAND, 24 October 1986, p 6.
5. Quoted from UNSERE ZEIT, Duesseldorf, 29 January 1986, p 2.
6. Mikhail Gorbachev, "Life Requires No Arms Race But Concerted Action for Peace," "Sowjetisch-amerikanisches Gipfeltreffen in Genf 1985," Dietz publishing house, Berlin, 1985, p 63.
7. "Mikhail Gorbachev--It Is Time to Act to Avert the Nuclear Threat Against Humanity," NEUES DEUTSCHLAND, 14 October 1986, p 3.
8. Erich Honecker, "Wir sind fuer den Frieden auf der Erde und im Kosmos." Dietz publishing house, Berlin, 1986, p 34.
9. "Treaty Between the USSR and the USA on Limiting Antiballistic Missile Systems, 26 May 1972," "Voelkerrecht, Dokumente," Part III, 1970-1979, Staatsverlag der DDR, Berlin, 1980, p 807.
10. Kurt Hager, "Marxism-Leninism and the Present," NEUES DEUTSCHLAND, 6 November 1986, p 3.
11. "Now All the More . . . , " op. cit., loc. cit.

5885
CSO: 2300/157

PEOPLE'S COUNCIL, TRADE UNION OFFICIALS CRITICIZED

Tirana ZERI I POPULLIT in Albanian 5 Dec 86 p 2

[Article by Sejdin Cekani: "The Militant Spirit of Each Person Is Measured Each Day by the Accomplishment of Tasks--From the Plenum of the Elbasan District Party Committee"]

[Excerpts] The effectiveness of fruit-growing and livestock raising was a matter of discussion at the plenum of the Elbasan District Party Committee. The fact that only 16.8 percent of the income from total agricultural production was realized last year from livestock raising, while 21 percent of the land was devoted to this purpose, and about 91 percent of the milk production plan and 95 percent of the meat production plan were fulfilled, shows that communists and managers of agricultural units should give more attention to this vital sector of the economy. There can be no justification for the failure to ensure a fodder base during past years and for the low fertility of the cattle. There is only serious responsibility for this situation. The plenum demanded from its members, such as Fatmir Gjergji, deputy chairman of the executive committee of the people's council, and from the directors of the agricultural cooperatives in Gostime, Belsh, Paper, and Kajan, and the agricultural enterprises in Peqin and Dumrese, the causes of the shortfalls and the concrete measures which will be taken to get out of the present situation. There was strong criticism of the fact that these units produced less milk and meat than in previous years.

In the plenum there was also criticism of general discussions and empty phrases, such as those of Telisfor Lumezi, chairman of the Trade Union Council in the district.

/6091
CSO: 2100/20

PROFILE OF NEW LEADERSHIP GENERATION DISCUSSED

Budapest JEL KEP-TELEVISIO RADIO SAJTO in Hungarian No 3, 1986 pp 132-138

[Transcript of radio program: "Generations in Politics"; first paragraph is JEL KEP introduction]

[Excerpts] This program was broadcast over Kossuth Radio on 10 April 1986. Laszlo Keri, a political scientist, acted as host and moderator. Zsofia Mihancsik was the editor. The members of the roundtable were: Jeno Andics, a sociologist; Tamas Fritz, a journalist; and Istvan Vida, an historian.

Laszlo Keri: In politics, what is the significance of the generation structure, of the breakdown by generations? What role do the individual generations play? To what extent are the individual age groups retaining their leadership role in politics, or are being excluded from it? What could be the hidden motives behind these differences? From whatever direction we approach this question, a certain cyclic pattern can be observed in how the generations gain ground in politics, and in social and public life. The fact is that this question has intensified considerably by the mid-1980's in Hungary. Briefly stated, our society, public life and politics must face the challenge of a specifically definable succession of generations. Which simply means that a certain age group occupied, somewhere way back between the late 1950's and early 1960's, a significant proportion of the leadership positions within society, and has held on to them continuously and stably for about a quarter century. But now this age group is rapidly approaching retirement age at 60, and must reconcile itself to making room for its successors. This also raises the following question: Which generations can come into consideration in this succession, and will it have any generation-specific characteristics at all? Reading the cultural publications, we see that the question of the succession of generations--in conjunction with the young writers and poets, and with the organization of artistic life in general--has been on the agenda for years. In the realm of politics, however, this has become an obvious problem only during the past year or two. After all, a person is preoccupied with the period in which he is living and does not stop to consider that, in Hungary in the second half of the 1980's, historical cycles may be repeating themselves that can be traced back perhaps 50, 100 or 150 years. Accordingly, our question may be reworded as follows: To what extent is the succession of generations, which Hungarian society will have to face within the next few years, a product of this period,

or does it have any precedents in Hungary's modern political history? Istvan Vida, as an historian specializing in modern history, what do you say to this?

Istvan Vida: Thus all this [development of the Hungarian National Assembly's age structure from 1887 to 1939] shows that the generations in politics unquestionably follow a certain cyclic pattern.

Laszlo Keri: If we continue these investigations into the period after 1945 and search for a kind of generational interdependence in the changes that occurred in public life during the past 40 years, could we find a thread that would be a continuation of the conditions existing before the war? A generational interdependence in itself, of course, would probably not be enough for this.

Istvan Vida: I don't think so, specifically because the autumn of 1944 and the spring of 1945 were such a radical divide in Hungarian society's development, and produced a political alignment so new, that here the generation problem, too, changed. But I should add that if we examine the political lineup which emerged after the liberation--the leaders of the new democratic parties, their representatives in the National Assembly, and their prominent personalities in public life--we nevertheless see again that most of them were around 40 or younger. In other words, a young generation entered at this point. A large proportion of this young generation's members have remained in public life practically to this day, with only minor modifications after 1956. In my opinion, the great succession began in 1944, and there has been no large-scale succession of generations since then.

Laszlo Keri: I think that a succession did occur after 1956, with fairly extensive replacements among the hundred thousands of cadres in the wider sense, in all areas of political leadership, from cooperative-farm chairmen to members of the Council of Ministers. There was a large-scale succession of generations after 1956, in my opinion, and an extensive rejuvenation as well. Accordingly, the age group was given a role that had just reached its thirties and, therefore, could not be blamed for the 1950's, but already had a decade of political experience behind it. Thus, even in its thirties, this age group knew enough to be entrusted with certain changes in the political system. Since then this age group appears to be maintaining unalterably its positions of leadership. Looking back on the past 25 years, we see mostly a kind of circular mobility; and neither the 1968 reform nor the domestic political changes, which can be classified in various ways, have produced a large-scale succession of generations. What is the situation at present? How do we perceive the breakdown, by generations, of the present lineup of leaders, and what is typical of this breakdown?

Tamas Fritz: Actually the generation coopted to leadership in the late 1950's and early 1960's has indeed maintained its leadership positions. There have been rotations of personnel in the various leadership positions, but no significant change has occurred. We see that the youths of the 1960's, who--allegedly in the spirit of our forefathers--had attempted to tamper with the functioning of our institutions practically in a revolutionary manner, did not get the roles that the public mood at that time could

have expected by all means. The youths of the 1970's and 1980's found themselves in a situation somewhat similar to that of the youths of the 1960's. We see that the generations below the 35 to 40 age group are crowding near positions of leadership, but are able to attain only the bottom rungs of the leadership ladder for the time being.

Jeno Andics: In this respect, I believe, we should distinguish the present situation from what existed, say, a decade and a half ago. Today this problem is being raised fairly insistently. But in the public mood and mentality of a decade and a half to two decades ago, political thinking included, this problem was not formulated so clearly. This process was based on the development that lasted from the early 1960's until the mid-1970's. It produced relative continuity in economic policy; and introduced, both in the system of managing the economy and in politics, certain reforms which at that time proved successful. To put it differently: we were living then in a period of prosperity that was the underpinning of our society's relatively balanced life. It was a fairly conflict-free period in Hungary's development, and hence there was no truly intensive internal need within politics for any significant renewal of cadres. As a result, the influx of young people into positions of leadership was relatively slow. I am inclined to regard this as the more typical, because it resulted also in there being a mostly circular mobility, rather than thorough selection. The insistent raising of this problem now in the 1980's can also be attributed to the fact that the requirements which leaders must meet have changed in part, fairly significantly and suddenly. By the early 1980's, society's real need for leaders who are able to perceive and handle conflicts, respond sensitively to interests, formulate the interests of individual groups, and get along in this respect with the population and individuals, has been reinforced to a large extent also in politics. Those who advanced in the late 1950's and early 1960's to leadership positions, or at least to a significant proportion of such positions, did so in part on the basis of society's different needs. First of all, what gained very strong emphasis among the criteria for the selection of leaders at that time was a centralized political need, slow to undergo modification and reform, but developing successfully and anticipating relatively few conflicts. This modification now intensifies the problem of how much opportunity there is for relatively young people to gain positions of leadership.

Laszlo Keri: Specifically this interdependence is what, in my opinion, makes it obvious that this is by no means a problem peculiar to Hungary alone. It will be worthwhile to broaden our roundtable's scope to include socialist political systems in general, because we can cite two examples that are close at least in terms of age. One example is China at the very beginning of the 1980's. The other is the current Soviet example, which shows that a clearly defined generation is able to assume a historical task, and that this cannot happen without a succession of generations when the demand for change has matured considerably within the political system. Take the Chinese example in this respect. Although admittedly bearing the hallmark of Deng Xiaoping's name, it was an entirely different generation that came to power after Mao Zedong's death. In other words, the vast majority of those who are managing day-to-day politics are people in their 50's. The same can be seen in the Soviet Union. The extensive personnel changes since Gorbachev assumed office are quite obviously generation-specific: mostly people in their

mid-fifties are assuming a role in politics at the republic and union levels. In my opinion, these two examples support the conclusion that the more extensive changes within the political system are linked to successions of generations.

Jeno Andics: Some international comparisons are tricky, because we may seem to be saying truths that are generally valid, but actually do not even have to reach far to be able to say also the exact opposite. Here I do not wish to dispute what changes have taken place in various socialist countries. In this context I would emphasize primarily the fact that the pace and extent of changes in leadership are strongly linked to the peculiarities of each country's development. From this point of view, a comparison of the various socialist countries is rather difficult, because development has been entirely different in essential respects. Hungary's situation cannot be compared with that of some of its neighboring countries, because they have not adopted changes the same as ours in their systems of economic management, nor have they experienced a political catharsis of the kind that Hungary underwent in the second half of the 1950's. That is why they have not had so sudden and extensive changes in leadership as in Hungary. In this respect, then, the various countries demonstrate peculiarities which differ significantly and are making themselves felt even if, for understandable reasons of political history, the question of the succession of generations is perhaps now arising in many countries because it involves biological factors as well. In spite of this, the succession of generations will occur at a different pace, by different methods and in a different way, specifically on the basis of the different historical development. The fact that the problem of leadership, of selecting leaders and training replacements for them, has been clearly formulated also in political standpoints in Hungary by the mid-1980's I would associate with the domestic rather than the international processes, with the changes that have taken place within Hungarian society. If we consider the sphere of political leadership in its narrower sense, what we should be emphasizing is perhaps not the need for innovative leaders. Because primarily the economy and its management need innovative leaders, in the sense that innovation is generally used. Politics, too, needs a political leadership that is able to modernize, but this has to manifest itself in part differently than in the economy. Here I would put much more emphasis on the need for tolerant leadership, for a tolerance which takes into account that in the economy there will be many phenomena to which we have not been accustomed earlier. Because a more innovative economy abandons the earlier methods sooner and more quickly, and perhaps even lets contradictions surface more widely. Hence the need for a leadership more tolerant of contradictions; one that, when formulating its own objectives, is able to pay close attention to the feedback from those with whom, and on whose behalf, it wants to formulate these objectives. If we consider leadership in its wider sense, then we obviously have to focus on other characteristics as well. Thus I would differentiate even here. The various strata of Hungary's present leadership lineup are receiving different challenges. The one thing they have in common is that they are receiving challenges, but they have to respond to these challenges differently.

Istvan Vida: An important element here, I believe, is the kind of political system these countries have. For if there is no political crop rotation,

then there is also no new lineup that could take over immediately. Had such political crop rotation developed in the socialist countries, then obviously the present succession of generations would have occurred much sooner.

Laszlo Keri: Jeno Andics, well over a decade ago you researched the profile of economic managers. Did your research yield any relationships or conclusions that are significant also from the viewpoint of generations?

Jeno Andics: I do not believe that this research has yielded any results other than what are being formulated also in general. It is quite obvious that a stratum of economic managers will have only limited ability to adjust to changes if it has not been selected and assigned to positions of leadership under the conditions of a modernizing economy's requirements. Therefore the need to replace economic managers at the top and intermediate levels is now arising very insistently. I have intentionally avoided any reference to a succession of generations, because of primary importance here is a faster rate of replacement based on the decisive criteria of professional competence, rather than the succession of generations. In my opinion, the fact that this faster rate of replacement will then result also in a succession of generations is, by comparison, only of secondary importance from the viewpoint of the practice of selecting managers. But not, of course, from the viewpoint of how the generations feel about this.

Laszlo Keri: Tamas Fritz mentioned earlier the problem of generations crowding near leadership positions. What is the likelihood that definite age groups, embracing consciously a somewhat different set of values, may come into consideration in the successions that are about to happen anyhow?

Tamas Fritz: During the past 10, 15 or 20 years, the younger generations did not really have any opportunity to learn politicking, to gain political experience or experience in asserting interests. Actually this can be attributed to the fact that the channels which link so-called big politics, the individual and groups, and through which one could have really learned how to engage in politics and assert interests, have become clogged somewhere or were never installed properly to begin with. As a result, those crowding generations have turned away from politics to some extent. They are concerned with minor local issues, but certain ideological questions have ceased to be of importance to them, specifically because lately the basic principle of selecting leaders has indeed been measured with the yardstick of implementation and adjustment. A kind of technocratic, practical and rational thinking is more typical of the younger generations, those in their twenties and thirties, than are the basic ideological values which specifically the generation attaining leadership positions in the late 1950's and early 1960's brought with it, and which this generation is actually treating as--to borrow a phrase from Mannheim--its generational basic experience. In short, these values are neither natural nor adequate to the generations now arriving on the scene. Their generational basic experience tends to be, I believe, existence in a state devoid of political experience. Which means that they have become alienated not only from leadership positions, but from the institutions providing these positions as well. Therefore I feel that a succession of generations alone is indeed unable to solve the problem. The solution may lie in institutional reforms in whose wake the selection of

political leaders--or let us broaden our frame of reference and say: and the selection of economic managers--will truly be regulated on the basis of qualitative requirements. In this way we could regain for leadership positions the young people who have become alienated to some extent and do not want to play a leading role--specifically for the aforementioned reasons, in my opinion. Allow me to mention one more thing at this point. We can see how appealing the sphere of entrepreneurship and initiative has become in the eyes of these young people. Thus the framework of independently organized existence is beginning to emerge, as opposed to the institutionally organized world. Naturally, this is highly questionable in view of the coming succession of leadership and succession of generations.

Istvan Vida: I share the opinion that, in the selection of leaders, a kind of counterselection has occurred in the 1970's and 1980's. Indeed, if you look at the careers of politicians, you find that the typical career path begins in the youth movement and runs its full course from there. In my view, the new electoral system has wrought a fundamental change in this respect. If openness spreads and more opportunity is created for political movement, then the leaders for it will be selected. Accordingly, the typical bureaucratic path of advancement will lose its importance, and there will be a more normal process of becoming a politician. I, too, sense that today's younger generation is disillusioned with politics. But I feel that this is not a lengthy historical process, and that it will change the minute politics becomes more eventful and interesting.

Jeno Andics: I think that we now have here side by side several generations even whose store of experience is not necessarily identical. Thus if we are talking about what kind of succession of generations we can expect and whether there will be one at all, then one thing is certain: the influx of people now in their early forties and thirties, into state and economic leadership positions, respectively into leadership positions in the narrower sense, can be expected to accelerate. But when we mention people now in their early forties and thirties, we are speaking of age groups whose store of experience partly differs. Persons now in their early forties reached adulthood in the mid-1960's. Thus we can say that the economic reform shaped their thinking, because that was the time they became politically conscious individuals. By contrast, persons now in their thirties made their first attempt to think politically at a time when tensions within Hungarian society increased considerably, mainly for reasons related to economic development. This generation is encountering considerably more tensions, an entire series of new phenomena for which it does not have the answers. Probably the elder generation does not have the answers, either. But the lack of answers is now this generation's problem. Therefore I would say that--despite the relatively short interval between age groups--admission to political leadership will mean admitting to leadership positions persons with different ideas, different ways of reifying values, and different life experiences, which will make a dialog between them difficult. A generation of the 1960's may easily formulate the requirement of continuity, saying that we ought to follow and perfect the ideas formulated in the 1960's, the ideas of reform. A generation of the early 1980's or late 1970's, which reached adulthood and entered politics then, may easily say that we must do something else, because the tensions that must be solved are obvious and we are unable to solve them on the

basis of the 1960's. Therefore, I believe, we have to agree that the key issue is the problem of our system of institutions, rather than the problem of generations. Because this system of institutions has to make a dialog possible between these generations.

Tamas Fritz: Paradoxically I believe that the institutional reforms must be directed toward ensuring that a position of leadership is not the only road to success; specifically because this succession of generations is so crowded, in the sense that several generations have to be admitted to positions of leadership now and find advancement there. Success in politics and the economy should not be only vertical, and the younger age groups should not be compelled to become leaders to gain suitable financial and moral recognition. There should also be opportunity for different talents to succeed in various other positions. Another way of putting this is that one ought to be able to succeed even as a staff member. Finally, leadership traits are a unique quality, and it is not certain that every young person is suited for such positions. What is really important here is that there be suitable opportunity to succeed even in lower positions. This can resolve a certain struggle for positions of leadership, and the confusion of values that occurs there. And a more equitable arrangement will be possible if the institutional reforms proceed toward such a succession.

Jeno Andics: The further development of democratic institutions is the more important because occasionally we may be under the illusion that we will find a panacea for the effective selection of leaders. It is often being said that rotation is this panacea, and now there is also a political standpoint on employing the principle of rotation more widely. Obviously, rotation alone is unable to solve the problems of selecting leaders and of their succession. How rotation works depends on how the other institutions are functioning.

1014
CSO: 2500/143

SOVIET ARMY KOMSOMOL MEMBERS VISIT

Warsaw TRYBUNA LUDU in Polish 17 Nov 86 p 2

[Unattributed report by the PAP [Polish Press Agency]: "Soviet Army Komsomol Members Completed Their Visit to Poland"; passages in slantlines printed in boldface]

[Text] /Completing its visit to Poland on 15 November, a delegation of the All-Union Leninist Communist League of Youth of the Soviet Army paid visits to the PZPR CC, the Main Political Administration of the Polish Army and the Main Board of the ZSMP [Union of Socialist Polish Youth]./

While travelling in our country, our Soviet guests met with veterans of World War II and soldiers of the Polish Army, visited higher officer schools and military units, and were acquainted with training facilities and living conditions of soldiers. /The issue of tasks in indoctrination facing the youth unions of both countries in light of the resolutions of the 10th PZPR Congress and the 27th CPSU Congress was brought up in numerous discussions with the ZSMP aktiv./

The guests also visited Warsaw and laid flowers on the Tomb of the Unknown Soldier and at the monument in the Memorial Cemetery of Soldiers of the Soviet Army.

9761
CSO:2600/289

WARSAW, EAST BERLIN DAILIES HOLD JOINT SEMINAR

Warsaw ZYCIE WARSZAWY in Polish 27 Oct 86 p 2

[Article by (K): "Seminar for Journalists from ZYCIE WARSZAWY and BERLINER ZEITUNG"]

[Text] (P) (Own information). On Sunday, 26 October, a 4-day seminar for journalists from ZYCIE WARSZAWY and BERLINER ZEITUNG ended in Zaborowo, near Warsaw. The seminar was devoted to the tasks arising for both fraternal newspapers from the 10th PZPR Congress and the 11th SED Congress. There was an exchange of experiences in activities aimed at accelerating economic development, including plans for economizing, and above all scientific-technical progress and cooperation and integration within the CEMA framework.

The journalists' discussion was supplemented and enhanced by talks at the Propaganda Department of the PZPR Central Committee and at the Warsaw Party Committee. The guests visited the Color Picture Tube Works in Piaseczna and Hortex in Gora Kalwaria, and met with representatives of the managements and the party, trade union, and youth organizations. They also became acquainted with the activity of the Mysiadlo PGR [State Farms].

The 8-member group of journalists from BERLINER ZEITUNG was headed by its editor in chief, Dieter Kerschek.

It was decided that in order to enhance the cooperation of many years' standing between ZYCIE WARSZAWY and BERLINER ZEITUNG, in the near future both newspapers would begin joint coverage of selected plants in Warsaw and Berlin, which, within the framework of the recently concluded agreement, are expanding their cooperation not only in the area of production, but also in vacation and youth exchange, etc.

9909

CSO: 2600/173

PRON YOUTH FORUM DISCUSSIONS DESCRIBED, PRAISED

Warsaw ZYCIE WARSZAWY in Polish 17 Nov 86 pp 1,2

[Interview with member of the PRON [Patriotic Movement for National Rebirth] National Council, Chairman of the National Steering Council of the Forum of the Young Generation Zbigniew Obidowski, by Wladzimierz Syzdek: "An Offer for Those Who Think"]

[Question] Among other things, the Presidium of the PRON National Council suggested at its last session that the meetings within the framework of the Forum of the Young Generation be continued. The forum has proven itself in practice, arousing the interest of a segment of young people thus far indifferent and passive. In your opinion as a member of the PRON National Council and chairman of the National Steering Council of the Forum of the Young Generation, what is the reason for this unquestionable success?

[Answer] We started out in November 1984 rather modestly, with a central forum conceived as a discussion club, though operating in a somewhat different format than the clubs to date. For us, social activists from different organizations and communities, the task was to rally young people, regardless of their attitudes and views, around the issues involving the entire society and vital for every Pole. We wanted an opportunity for various opinions and attitudes on the same issue to compete in the same hall.

At first, our offer interested a relatively narrow circle of young people. However, as time went by, this group began to grow larger. After all, participants in the first meetings relayed to their communities the message that discussions in the framework of the forum are sincere and open, without any reservations and "taboo" topics. Opportunities to be a partner in discussion and exchange views with well-known figures on our social and political scene were also an incentive to attend the meetings. These individuals do not offer preconceived plans or solutions to the young people. Instead, they encourage in-depth analysis and thinking by their statements.

At present, there is a quite numerous group who attend meetings regularly. Also, the initiative of the forum has spread to 48 provinces.

[Question] Does the forum in small cities make any sense?

[Answer] Such were the initiatives from below, from PRON provincial councils. We did not influence their decisions. Of course, there was some apprehension that such a local forum may become a sham. At present, there is no such apprehension. It turns out that activists in the provinces are readily booking lecturers who mainly tackle at the meetings local issues of interest to the given community of young people. Attendance at these meetings is no worse than in Warsaw.

Certainly, problems of nationwide import are also discussed in these cities. In this instance, we, in our capacity on the Steering Council, provide help for the organizers, inviting representatives of various ministries and social and political functionaries from central institutions to meetings sponsored by them. For example, there is never a problem with inviting to such a meeting Secretary General of the PRON National Council Jerzy Jaskiernia or the Minister for Youth Affairs Aleksander Kwasniewski.

The circle of our allies is increasing continually. There are also interesting initiatives of a national scope conceived by activists of local councils of the Forum of the Young Generation from, among others, Gdansk, Bialystok and Plock. For example, the idea to organize a forum on the topic "Let Us Save the Vistula" emerged in Plock. To be sure, there still are communities where the forum has generated little interest. Apparently, the activists of those local councils lack involvement and ingenuity.

[Question] Since we are on the topic of young people interested in the activities of the forum: has not the attendance at the meetings been boosted artificially on occasion, by teachers assigning students to go?

[Answer] We did encounter such cases initially. We immediately talked to the teachers. On this occasion, though, let's keep in mind that the students assigned to attend a meeting not only came to the first meeting, but to subsequent ones as well.

[Question] At times, we hear that adults impose topics for discussion on the young people...

[Answer] When the initiative of the forum was first conceived, we surveyed 30 schools of Warsaw on topics currently concerning young people. These are the so-called sure-fire topics. We bring them up when participants in a meeting do not have any suggestions or if their suggestion arouses substantial controversy. Only in this instance can there be talk of assigning, but still not imposing the topics. After all, this takes place with the consent of the young people. Situations with suggestions "from the floor" vary. At times, the topic for discussion is plainly too difficult for the young people. Such was the case with, for example, a meeting on the outlook of Poland until 1990. Economic issues turned out to be too complex. However, a stormy discussion took place, and then not only in Warsaw, on the topics "what kind of life are we to live," political and worldview tolerance, opportunity for and obstacles to national reconciliation and the struggle for peace.

[Question] Occasionally, the youth movement levels yet another accusation at the forum organizers. Then say outright that you are striving to set up a competitive PRON organization...

[Answer] Youth organizations are also among the collective members of our movement, which is frequently forgotten. Therefore, the forum is, in a way, one of the forms of their activity. Members of all four organizations attend the meetings. Their involvement differs. Scouts have made their presence especially known. However, we do not draw any lines of division. What we know comes from the statements of those attending the meetings, who in a way attest to the clout of their organization by taking the floor. In its turn, the forum is, and will remain, solely and exclusively a device for integrating various groups of young people and a form of discussion, convenient for them, on the most significant issues, because it does not call for a mandatory and specific ideological statement.

[Question] Later on, it may turn out that discussions will no longer attract young people. Then what?

[Answer] Little by little, we are moving away from the concept of a forum as exclusively a discussion club. Let me refer to, say, this and last year's PRON summer campaign for forum participants. In the camps, there were not only discussions, but also an opportunity to acquire various skills valuable to a young man. Also, there is the campaign "Zamosc 2000" started by Jan Dobraczynski last year. Several hundred high school students worked to save monuments. In Zamosc as well, there were few discussions, but a lot of specific and much-needed work.

Interest in such activities went beyond our expectations. This is part of the reason why we want to make this campaign year-round in the form of practical experience for high-school students. This is not all yet. We have selected 250 schools. We will cooperate with their students on a permanent basis, discussing all decisions concerning education. We will hold similar consultations with young people in selected enterprises and 270 gminas regarding the program of rural development and issues of the economic reform. Results of these consultations will be reported to the PRON National Council, and then to the decision-makers. In this manner, young people will gain some influence on significant decisions of concern to them.

[Question] However, it appears that converting young people to the idea of reconciliation should be the most important issue in the activities of the forum.

[Answer] Thus far, we have not studied the impact of participation in the forum on the attitude towards the PRON movement. However, I feel that a considerable segment of those attending camps and meetings identify with the idea of national reconciliation. Their statements and views testify to that. There already is a numerous group of young activists in local steering councils of the forum, on whom we can rely for more than just organizing subsequent meetings. Our goal is to have as many of them as possible in our movement. Trying to win them over, we will go on searching for new and interesting forms of activity.

PAN DIRECTORS VIEW RESEARCH RESULTS, IMPLEMENTATION

Warsaw RZECZPOSPOLITA in Polish 16 Oct 86 p 5

[Article by W. B.: "Effectiveness of Research, Use of Results"]

[Text] (Own information) (C). On 15 October, there was a working meeting between the directors of PAN research institutions and POP [basic party organization] secretaries, and Prof Zdzislaw Kaczmark, the scientific secretary of the Polish Academy of Sciences, and other members of the Academy's management. There was a discussion of scientific tasks and research programs during the next 5 years, and of what research will be conducted by the new structures of research organizations in Poland.

The tasks of the Polish Academy of Science include first of all conducting basic research that keeps ahead of current needs and contains mainly cognitive elements. In this sphere, the issue is increasing the effectiveness of that research, the originality of the results, and a more rapid pace in the completion of individual topics. On the other hand, however--this was emphasized many times--the country and the economy need scientific results that will support our technology, modernize manufacturing methods, and make development possible. Attention was called to the fact that we have virtually no possibility of either a radical increase in the amount of raw materials, or energy, or in the number of people to work. Scientific-technical progress thus remains as the main and basic instrument for emerging from the crisis.

The National Socioeconomic Plan provides for major resources for science, but at the same time there are growing expectations of concrete results from the outlays incurred. This requires finding more efficient methods of coordinating research, accounting for individual stages of the work, and greater responsibility on the part of both those carrying out the research and the elements receiving the work after its completion. The principles for the evaluation and receipt of the work have already been drawn up.

Increasing exports of our products, modernizing them, and achieving a radical improvement in their quality will be "life or death" matters for us during the next few years. These tasks, however, cannot be resolved without scientific cooperation in the international arena. It is extremely important to combine all of these goals, means, and determining factors. PAN [Polish Academy of Sciences] is searching for optimum solutions for these complex and difficult problems, while the economic debates--such as those discussed here--are helping to work out the best ways under current conditions, in accordance with our current capabilities.

TEACHERS UNION OCTOBER CONGRESS SETS DISCUSSION THEMES

Warsaw RZECZPOSPOLITA in Polish 21 Oct 86 p 5

[Article by (JaS): "Teachers' View of Education Issues"]

[Text] (Own information) (C). A week before the opening of the 34th Congress of the Polish Teachers' Union, the leadership of the Main Administration of that organization met on 20 October with press, radio, and television journalists. During the conference, which was held at the initiative of the Educational Journalists' Club of the SD PRL [Association of Journalists of the Polish People's Republic], the union's achievements were presented, along with the draft for the new action program.

Today the Polish Teachers' Union is the largest homogeneous union organization. It includes more than 505,000 members gathered in over 15,000 elements, which will be represented at the Congress by 535 representatives. They also include distinguished senior scholars, such as Antoni Stelmach from Bialystok, who was born in 1898, and Jozef Kolasa from Ostrowo Wielkopolskie, who is 84 years old.

The Congress has been preceded by an extensive reports-electoral campaign, with a recent emphasis on meetings with the delegates. The most fundamental problems afflicting the world of education have been discussed at them. The most important of these is the functioning of the national education system, including teachers' working conditions. The ZNP [Polish Teachers' Union] has done a great deal not only to improve them, but also to prepare a better foundation for the increased future responsibilities that education will be given by the state and society. One of the examples of this could be the union's participation in efforts to increase the state's financial outlays for education, to bring about a rational modernization of the content of instruction, and also consistent implementation of the Teachers' Charter, which should establish a basis for the high status and social position of that profession.

Not all of the union's aspirations have yielded the desired results. The union members are still not satisfied by the system for making teachers' salaries comparable with the salaries of engineering-technical personnel employed in the socialized economy. "Perhaps," stated Dr Jan Zaciura, the vice president of the ZNP's Main Administration, "after all forms of

negotiation are exhausted and we have not received a satisfactory decision, one in accordance with the provisions of the Teachers' Charter, from the Minister of Labor, Wages, and Social Affairs, we will have to appeal to the Constitutional Tribunal. "

A great deal of attention was devoted during the conference to the problems of pedagogical innovation, which constitutes the greatest resource on the road to the modernization of schools' operation, the assistance that teachers should be provided by superintendents of education and the educational administration, and also the living conditions of retirees and annuitants, most of whom have a monthly income of not more than 12,000 zlotys.

In response to numerous questions from journalists, the union's position on the draft code of ethics for teachers was presented (the ZNP has five versions of it). It was stated that it should not be a document of an administrative nature, and that above all it should be first discussed and accepted by educational circles. There was an extensive presentation of the union's opinion on the necessity for changes in the system for the administration of education, a need which was expressed--in accordance with the new laws--at the previous session, and which was confirmed by the 24th Plenum of the PZPR Central Committee.

The 34th ZNP Congress will be held on 27 and 28 October in Warsaw.

9909
CSO: 2600/173

RZESZOW CONFERENCE ON HANDICAPPED YOUTH, SOCIAL POLICIES

Warsaw TRYBUNA LUDU in Polish 14 Nov 86 p 4

[Article by Andrzej Kalinowski: "Looking for a Niche"; passages in slantlines printed in boldface]

[Text] /How are we to find an appropriate niche for handicapped young people in the socio-economic life of our country? How should the efficiency of rehabilitation services be improved? Scientists and practitioners are trying to answer these questions at a 2-day conference on "Rehabilitation of Young People and Social Policy of the State", which began on 13 November in Rzeszow./

As was stated in the proceedings, /advances of civilization are accompanied by an alarming increase in the percentage of handicapped young people, who should be given treatment, rehabilitation and social services, and assisted in joining the regular life of those healthy./ The issue is to enable these young people, whose physical abilities and health are impaired, to pursue their professional and social aspirations and partake creatively in culture. These people should not, and do not want to be, a burden for society.

Young people with chronic illnesses, severely handicapped and requiring a stay in a special care facility are in an especially difficult situation, said Prof Dr A. Hulek who chaired the proceedings. Availability of places in such facilities does not meet the need. The latter is frequently interpreted narrowly as providing only social services and assistance. Meanwhile, handicapped young people, same as others, would like to pursue their aspirations in life.

Prof Dr A. Pachalski pointed to the deteriorating physical condition of young people. This phenomenon is more pronounced in rural areas compared to urban. This calls for preventative rehabilitation. It is estimated that about 2 million children and young people should be so treated.

The Association for Prevention of Handicaps, the Higher Pedagogical School in Rzeszow, Department of Education of the University of Warsaw, and the Department for Improvement of Teachers in Rzeszow organized this conference sponsored by the minister for youth affairs.

9761
CSO:2600/289

POLITICAL SCIENTIST-JOURNALIST COMMENTS ON VIDEO IMPACT

Warsaw ZYCIE WARSZAWY in Polish 18-19 Oct 86 p 8

[Text] In the weekly FIIM, Dr Jozef Kadzielski, the dean of the Department for Journalism and Political Science at the University of Warsaw, was interviewed by Wojciech Frankowski. We quote extracts:

[Question] We are on the brink of a revolution in the technology for transmitting information, broadly understood. I am thinking of the video, cable TV, and satellite TV systems. (...) Are we as a society prepared to receive diverse contents, and also, will our creative people be able to cope with the new requirements?

[Answer] For the time being, the development of the video system is the most realistic for Poland. Some people claim that there are already 500,000 video recorders in Poland, but no one knows precisely, since no one is registering them. Cable television is probably not a threat to us for the time being; on the other hand, satellite television, a subject that has already been under discussion for a long time now--what it should be like, whom it should serve, etc.--could be implemented in the foreseeable future.

Meanwhile, in regard to creative people, the issue should be looked at as follows: a period is beginning in which what reaches broad segments of society will be determined not by control, but by quality. Consequently, the question that faces creative people is whether they will want to participate in this artistic confrontation, and how much they will be able to. In my opinion, that is the fundamental issue.

And society? If it only has an opportunity to use either videocassettes or satellite television, it will certainly use them, in the first place because it is something new, and in the second place, because it will think, and in many cases correctly, that the programs over there are better. I think that this will force our decision-makers and film-makers to make a considerably greater effort and be concerned with the quality of their products, and take into account the interests and tastes of the consumers.

9909

CSO: 2600/173

LOCAL ANTINUCLEAR PLAN ATTITUDES EXAMINED

Poznan WPROST in Polish No 47, 23 Nov 86 pp 6-8

[Article by Cezary Trosiak: "Between Extremes"]

[Text] During the May Day celebration this year in Czarnkow, students of a local school unfurled a banner which read "NO to the nuclear power plant in Klempicz." This incident took place several days after the nuclear plant accident in Chernobyl'. It became the reason for a team of employees of the Center for Social Studies of the Poznan ZMW [Rural Youth Union] to embark on an area study. The study included the entire gmina of Lubasz, in which Klempicz is situated.

We considered finding answers to the following questions to be the main goal of our research. What is the attitude of the inhabitants of Lubasz gmina to the siting of the nuclear power plant in Klempicz? What arguments "in favor" and "against" are they aware of? What kind of dangers do they anticipate upon completion of the nuclear power plant? How has the accident at the nuclear plant in Chernobyl' influenced such expectations?

By this time, all conditions set for the contractor by provincial authorities had been met. Drilling to determine the feasibility of using the area selected was already underway. Allocation of producer goods and construction materials to the residents of Klempicz was suspended (in light of the study "Analysis of Siting the 'Warta' Nuclear Power Plant," prepared by the Main Office of Power Industry Design, Klempicz will be moved to a new location).

As it turned out, the residents of Klempicz were quite certain that they were deprived of contributing to any decisions. The only thing they knew was that they will be moved once the final decision on siting is made. The following statement by a female resident is characteristic of the opinion of Klempicz inhabitants: "They will do what they want anyhow. This has been going on for 2 years, and still it is not known whether they are going to build or not. I wish it were over with!"

Inasmuch as the opinions of Klempicz residents did not come as a surprise to us, a public opinion poll of residents in other localities of the gmina yielded quite surprising results. We expected to encounter resolute opposition to the planned construction of the power plant from gmina

residents. This, however, was not the case. Research has shown that the residents are well aware of the dangers entailed by a nuclear power plant. They set forth in very precise and clear terms arguments "in favor" (these can be reduced to the statement that the gmina will make a civilizational advance) and arguments "against" (once again, they can be summed up by the statement that natural environment will be endangered and an accident is possible). It is characteristic that the inhabitants of Lubasz gmina are fully aware of the dangers resulting from their proximity to a nuclear plant, and yet an overwhelming majority of them do not intend to move.

Social and administrative authorities of the gmina believe that, when the final decision on siting the "Warta" Nuclear Power Plant in their area is made, an opportunity would open for the gmina to draw moneys from central funds. For starters, these funds are to meet the most urgent needs (sewers, a garbage dump, gas mains, schools, cultural center). We also decided to solicit the opinion of the representatives of local clergy. They showed not only great knowledge of the technical and operational problems, but also awareness of the social aspect of this issue. In general, they are skeptical of nuclear plants based on the technology which is to be used at the "Warta" Nuclear Power Plant.

In no way do they write off this avenue of developing power generation. However, they point out the opportunity for and necessity of returning to the concept of using conventional energy sources and building small power plants.

A review of compositions written by high school students from Lubasz gmina on the topic "What Is Your Idea of the Nuclear Power Plant in Klempicz" provided the most surprising results. An overwhelming majority of composition authors have a negative attitude towards the power plant. A statement by an eighth-grader from a Lubasz high school is symptomatic in that regard: "(...) the Chernobyl' accident should be a warning to us that such a power plant amounts to suicide sooner or later. We do not want Chernobyl' to happen again. Down with the nuclear power plant!" It should be added that the students are aware of the benefits resulting from the use of nuclear fuel and of benefits to the gmina which the appearance of the power plant may bring. In spite of that, an overwhelming majority of the students are against the power plant in the final count. Undoubtedly, the accident at the Soviet plant was the greatest influence on the thrust of these compositions. In every composition, it was quoted as an example of an unfavorable impact by nuclear plants on the immediate and more remote environment.

Therefore, if we are to accept the pedagogically correct premise that opinions of 13-year-olds of the outside world are shaped primarily by parents and peer groups, than we should take an entirely different view of the results of conversations with adult residents of the gmina. It may be that adults were apprehensive of making more radical statements on the assumption that the topic is too sensitive.

Statements on the opportunity for a "rank-and-file" member of society to influence economic and political decisions were also interesting. In our survey, we suggested several ways to express opposition in a legally sanctioned fashion: taking the floor at a village meeting, submitting a

protest petition to the administrative and political authorities of the gmina, sending a letter to the Sejm of the PRP etc. Almost all of those surveyed maintained that this is pointless and will not produce any results. Why is it that despite the awareness of a strong ecological movement in Western Europe which demands that already existing nuclear power plants be closed down, nothing of the kind takes place in Poland? After all, in our country talk of ecological danger is getting louder. Also, there is an opportunity to create a movement for the protection of natural environment within the framework of the existing socio-political system.

Drilling teams from geological enterprises are already working in Klempicz, though construction has not started yet. Due to this, first conflicts are beginning to appear. The parish priest in Lubasz stated that "the residents of Klempicz complain about the drillers and believe that they are the reason why residents are being displaced." An atmosphere of hostility and ill will has been fostered primarily by difficulties in collecting indemnities for the damages suffered.

Therefore, the power plant is a strong influence on the mentality of the residents of Lubasz gmina even at this early drafting stage. This has been shown by the events of recent times. At present, the society perceives nuclear power plants in a way which we have not encountered before. It perceives them as a source of real danger to health and life. If this tendency is reinforced and fear drowns out rational thinking, it would be the most painful consequence of the Chernobyl' accident.

[Boxed item] The "Warta" Nuclear Power Plant: basic technical and operating data:

- installed capacity - 4,000 MW;
- water intake for technological purposes - 3.82 cubic meters per second;
- water for consumption - 350 cubic meters per day;
- area: 335 hectares;
- fuel: enriched uranium 235;
- time under construction: 1987 through 2000;

Workforce:

- at the stage of site preparation, 1,000 persons (1987),
- during the construction stage, 12,000 persons (1987-2000),
- at the operational stage, 2,000 persons (after the year 2000).

9761

CSO:2600/257

'STALINIST' GENERATION FIGURE RECALLS PERSONAL PAST

Warsaw POLITYKA in Polish No 43, 25 Oct 86 p 8

[Article by Zygmunt Kaluzynski]

[Text] I do not know if you have noticed that there has been a flood of obituaries lately and many people have departed from what one might the Sanacja or interwar generation. It appears that people of my generation, which one might in turn define as Stalinist, have now become the oldest age group still living. This is no doubt an imprecise definition; for example, can one count among the interwar generation Jerzy Putrament, who actually left and whose active work came in the 1950s and later? Actually, yes. He was about 10 years older than I and it is not without reason that critics see as his most important achievement the novel "Reality," the ups and downs of a leftist paper run by progressive students in the 1930s.

I could also admit to being part of Sanacja since several years of my life fall within the period before 1939. But I feel the "sandwich principle" determines membership in a generation. This meal, as we know, is made from a slice of bread, then a piece of cold meat or cheese and another slice of bread. Everyone's life looks similar. The bread is chewed for a long time, then there are few animated years, corresponding to the piece of ham and then, to the end of our days, we chew that damp bread. Being counted among a generational group depends on when that meaty layer occurs, when a person begins to frolic energetically. Usually this happens between the ages of 20 and 30 and on this basis I believe that the generation that has crumbled away was the Sanacja generation and those from Stalinism are now our senior citizens.

This may have consequences. Just as society has its youth, it also has its last living elderly. These are two age brackets that affect the climate of life. During Prus's time the Napoleonist veterans were the oldest generation. Rzecki in "Lalka" told how his father trained him in drills from his youth and woke him at night with the cry, "to arms!" with the comment, "Always be prepared, for we do not know the day or hour. . . . Remember, God sent the Bonapartists to make order and there will be no justice until the emperor's testament is fulfilled." Yet this preparation was of no use to Rzecki because to the end of his life he remained a clerk in a grocery store.

In my time the elderly on duty were the insurgents of '63 who wore navy blue uniforms, soft four-cornered caps and collection of medals, which stood out in contrast to their wheelchairs pushed by nurses. Some lived to see World War II and I remember a colorful occurrence in 1945 when I was participating in a radio program in new liberated Lublin. It was broadcast live and lasted for some time afterwards. A challenge by one work leader was delivered loudly at the microphone. "Let us toil a little more, let us toil and it will be like it was before the war." This did not exactly suit the political program of the time. Then a January insurgent was brought to the studio; he was over 90 and definitely had sclerosis. But he was still conscious enough to notice soldiers speaking Russian on the streets, which no doubt led him to believe that there had been another turn of history and which had an effect on his statement: "After that demonstration of ours, the Cossacks beat us with whips, and rightly so. They were right because we raised our hand against His Majesty." It is a similar old man who is the hero of an anecdote about confusing marshals, starting with Pilsudski, in the mind of an ancient, bewildered citizen. On being introduced to Rokossowski, he is supposed to have said, "It is good that you shaved your mustache and stopped slouching; you look better already."

Confusion about the complicated history of our country is the fate of every elderly person who has managed to survive this far and can be a source of some amusement for succeeding generations, but in the end we regard the oldest living generation with fondness. Now, though, the Stalinist elderly may be an exception such as there never was before. Not only do they not brag, they also sit as quietly as they can. An atmosphere of obscure shame hangs over them, they sometimes try to act as though they are not here at all and generally there is the suggestion that one might skip this generation and go on immediately to the Gomulka elderly. Which compels me either to switch back to the Pilsudski veterans or to wait (but not long now) and squeeze into the group of forthcoming October elders.

Does a Cow Have Opinions?

Such a decision is risky and may spoil my last retirement years, because will I live that long? So I am starting from an attempt to see whether I will be able to persevere in my Stalinist status. First of all I am observing those similar to me. A split has occurred here that has perhaps not happened in any Polish generation. Generations are usually close-knit, but those of my generation are frightfully at odds. Most of the people who are now in power are the same age as I and moreover, they held positions at that time and exhibited no less obstinacy then, except on the other side. At that time I was at the office of NOWA KULTURA, which dealt generally with police actions, occasionally with denunciations and from time to time with baiting. From that extreme slant, it went immediately to another, equally offensive, and suddenly my colleagues turned out to be passionately anti-Communist. As far as I was concerned, my colleague Woroszylski, unanimously elected editor, fired me within the hour and tried to deprive me of three months' notice, which the bookkeeping department resisted (for that sum I obtained a chair and trousers--such were prices in those days!).

Because of these experiences I have a rather different opinion than the usually prevailing one about rebellious colleagues. For when we learn that the son of a censor known for his sharpness has become a subtle historian who opposes the authorities, that the offspring of a stern Security Administration chief is a musicologist, a twelve-tone specialist who signs protest letters, then one hears that the children of the "bloody Stalinists" are trying to make up for the crimes of their fathers and that their parents have also begun to do the same. Personally, I see this differently; these children are not at all in opposition to their fathers but rather are a steadfast continuation of their fathers' activities; they destroyed socialism through police action, while the youngsters scheme as they can through obstruction. So the offspring are carrying on what papa started.

In any case, it has become hard to be a Stalinist; my peers generally do not want to admit to it. So what happened to me, I ask myself. I have devised a maxim, "from the rear with a steady step." Occasionally this is surprisingly confirmed. During Walesa's time, colleague Metrak wrote that Kaluzynski had disappointed him at every turn and had bungled then too. Metrak wanted to annoy me but curiously I experienced a quiet, personal, perverse satisfaction. Sometimes they explain to me that I should reconsider my position because "only a cow does not change its attitudes." Naturally, except that she does not have any; that is how it is with cows. Occasionally I meet people who express outrageously old fashioned opinions and then, although I fight, I cannot free myself from something like a wave of sympathy. I was talking with the director of an institution, a man of my age, about Milosz. And this peer of mine, who had spent years in service, looked to the right and to the left and bent to my ear. "To me he is a deserter who left his post." "But he was in Poland later with no government objections," I said. "That is politics, sir, politics." A sectarian, I thought, but I gripped the hand of that official a little longer in farewell. I read that a TIME correspondent had an interview with Molotov, who in his later years became director of a power plant in the provinces. "What do you think of Alleluyeva" (Stalin's daughter living in the US)? "She committed three-fold betrayal, against her father, her children and her country." "And Solzhenitzyn?" "He should hand." Horrible opinions and surely today no one is partial to the old man. Yet something struck me--an absurd, obscurely palpable reaction--appreciation for his loyalty to his own history.

Nostalgia for the Song of the Masses

Because who knows, maybe it is more a matter of feelings than opinions. I have noticed that passion toward era is often associated with the wrongs experienced then. Recently a series of films has appeared that presents the villainy of the period in a bitterly distorted way: "Shudders," "Once Upon a Time There Was Jazz," "The Great Race," etc. Their creators describe this series in interviews in terms of their personal experiences; they come from the same generation and in their childhood years they were severely broken in, as we seen in these biting satires. They feel they were persecuted, but the truth is that everyone suffered then; moreover, they see the consequences but do not want to see the causes from which it all came. In my case, it is important that I was a citizens of the General Government from start to finish. So it is interesting that despite the great amount of literature about

those times, there is not much about the uncommon mood that prevailed then. There were 17 million people in the General Government and every third person, literally every third, was murdered. Such a situation creates a peculiar climate, one hard to describe. I found a rather startling description of it in a document coincidentally discovered, a report by a research psychiatrist who studied the behavior of soldiers at Verdun in 1917. This was the first mass murder of this century; a million people fell there and participation in the frontal attack meant the end, since the chance for survival was minimal. The soldiers in the trenches left everything they had for their families, including the watches on their wrists, and moved out in a near cataleptic state, in suicidal apathy, e.g., they threw down their guns, encircled each other to form a group and walked directly into the machine guns.

The similarity struck me; today it is simply difficult to imagine that atmosphere, to say nothing of depicting it. It was probably the worst in my generation. In the area where I spent my time, most of my friends died a violent death and only a few survived. Even now, after 40 years, I still dream that the Germans are back to stay--in dreams one usually knows such things--and that I have no chance. And indeed I would have had none if the war had gone on longer; so the arrival of the Red Army saved my life. One does not forget that. I often think about this and I am sure that Stalin could defeat Hitler only because he was ruthless. And such a position must be associated with suspicion, injustice and unscrupulousness; there is nothing to be done about it. In a monograph by I. Deutscher (who was a Trotskyite and an opponent of Joseph!) I found this sentence, "Only an absolute ruler who would not permit himself to be ruled by nerves or emotions could be equal to such a horrible situation." ("Stalin, a Political Biography," 332 pp).

Yet for me, as God is my witness, Stalinism had an extremely human face, although in reading this confession, you may be inclined to shake your heads in disbelief. Somewhat later there were instances that could not be explained easily, i.e., the murder of my friend Boleslaw Scibiorek in 1945 in Lodz. There were numerous interpretations of that crime but personally I have no doubt as to who was the perpetrator. I worked with him at the newspaper, just as it is today when I go to the pub on Dubois Street and my colleague Wojciech Markiewicz tells jokes and Zdzislaw Pietrasik complains about a film; the phone rings and must be answered. I used to meet that way every day with Scibiorek, who wore strong glasses because of his poor eyesight; he also wore a cap that one can see nowadays only in a retro cinema and he chuckled constantly. One day he didn't turn up. The killers had gone to his room, bound his hands with wire, put him face down in the bathtub, plugged the drain and murdered him so that his corpse was covered with congealed blood and had to be cut out of the tub. Jan Aleksander Krol, who later went to Canada, and I also received death sentences; I have kept mine to this day. It is written on a looted German typewriter and wherever there should be an [a] typist wrote an "a" umlaut with two dots about it.

Somehow it was never carried out and for this reason I have a particular attitude toward the institution known as the Security Administration, about which no one has heard anything good for some time.

And that is probably the way it will have to be. I doubt that my explanations will change attitudes toward the old Stalinists. I am afraid that my generation will not be national and survivors such as I am; they will function only for themselves. And that is how it is. Sometimes on some holiday when I am alone, I close the drapes and lock both locks on the door and move the couch in front it; I disconnect the telephone and get out a portrait of Joseph, hidden under the refrigerator and disguised as a tray, taken off the newspaper office wall that October and discreetly carried out under my coat. Joseph was a handsome man; that is certain because my aunt, who is harsh when men are concerned, was of the same opinion; in this regard he undoubtedly surpassed the statesmen of that age, who looked rather diverse. I take out a breakable 78 rpm record, a song of the masses, "Millions of Hands" (the masturbators' anthem, said the late poet Grochowiak, who bore no grudge against ideology, only against syntax), and put it on an old gramophone, playing it at the "lowest volume" mark. I take out the banned books hidden behind a row of volumes on the shelf, reading material more indecent than the worse pornography: Pylatkowski's "Foundations," Scibor-Rylski's "Coal," Zalewski's "Tractors Will Conquer Spring," Wilczek's "Number 16 Produces," Konwicki's "The Levants," Jackiewicz's Penicillin." These novels, once called productions books, were fascinating, although it seems hard to believe, but they were. For they were typical popular literature, with simple, clear and honest contents--director Kordas of people's extraction organized; reactionary Szapoczynski sabotaged, unscrewing screws at night; engineer Labunski vacillated but was convinced and finally the factory started up on 22 July in fair weather.

Criticism during succeeding years left a moist stain on this pen pushing. Yet, there is no getting away from it; I am of the opinion that "Foundations" is a most decent book, while one can read "Number 16 Produces" with interest as popularized commentary from a candy factory. Nevertheless, compared to everything we have today it is meager; how is then that I have a feeling of moral luxury, accessible only to me?

12776
CSO: 2600/212

BRIEFS

READER RESPONDS TO ARTICLE ON STALINISM--I feel that along with Mr Kaluzynski we belong first of all to the war generation, but the matter of names is not most important here. His incisive article "Old Stalinists" must surely be acknowledged as honest, compared, for example, with W. Namiotkiewicz's statement on this subject in ODRODZENIE. Only one thing was missing, namely affirmation of the fact that so-called Stalinism looked different in different countries. Undoubtedly there was an enormous difference between Poland and Rumania, for instance, at that time. Up to now, no one has personally attacked Boleslaw Bierut or the majority of his closest associates (besides a few politicians of the time who rather deserved it). But in general loyalty is not the strongest attribute of our society. No matter what or who is concerned. Unfortunately, numerous betrayals were and are often winked at. But fortunately, besides Mr Kaluzynski, there are many more objective people. Someday the period discussed will get a fair appraisal. Except that emotions must subside and, what is more important, profiting from satanizing that time, from generalizing everything, must stop being worthwhile since life then was so rich in events. [Text] [Warsaw POLITYKA in Polish 15 Nov 86 p 13] 12776

NEW SOCIAL-HUMANITIES TEXTS--The State Publishing House for Scholarly Works has announced a new library series entitled "Logos." It begins with Maria Ossowska's book, "The Ethos of Chivalry and its Variations." The series will be of a popular science nature. Its purpose is to show the current state and prospects for development of humanities and social studies. Four to five titles annually are planned. [Text] [Poznan WPROST in Polish 12 Oct 86 p 3] 12776

SHELVED FILM TO BE RELEASED--Cinematography chief Jerzy Bajdor announced during the conference of the Polish Filmmakers Association in Gdansk that the shelved film "Mother of Kings" by Janusz Zaorski will also be released. [Text] [Poznan WPROST in Polish 19 Oct 86 p 3] 12776

YOUTH SUBCULTURE FILM STILL SHELVED--During last year's rock music festival, Jarocin '85, Piotr Lazarkiewicz shot a film nearly one and a half hours long entitled "Wave," which is a valuable record of phenomena occurring in the youth subculture of the 1980s. It depicts what takes place both onstage and off. Unfortunately, so far one cannot see this film anywhere. [Text] [Poznan WPROST in Polish 26 Oct 86 p 3] 12776

WAJDA FILM GETS MIXED REVIEWS--On Wajda's "Love Affairs Chronicle," shown at the Gdansk festival outside of the competition, Zygmunt Kaluzynski wrote in POLITYKA that "one views 'Chronicle' with sadness. . . that it is a conventional film from start to finish and cannot recreate the atmosphere of flirtation as it looked before the war." Maria Malatynska, on the other hand, evaluated it this way in ZYCIE LITERACKIE: "A film like this appears rarely, even under Wajda's camera. It is a work of such poetic feeling, without sentimentality, of such deep human warmth, without triviality." Well, that is the way it is; critics often have extremely divergent opinions. Readers will soon find out how it really is when the film is released. As far as my opinion is concerned, it is more or less close to the one expressed by Malatynska. [Text] [Poznan WPROST in Polish] 26 Oct 86 p 3] 12776

LITERARY NEEDS NOTED--Jan Pieszczachowicz in TYGODNIK KULTURALNY: ". . . literature truly is or should be neither a political, nor philosophical nor even an artistic whole, but a cultural one. . . . Its work, productiveness and power depend on undisturbed socio-political and environmental mechanism as well as on a climate whose role is hard to overrate. Cultural policy should take this into account if it is to be successful. [Text] [Poznan WPROST in Polish] 26 Oct 86 p 3] 12776

VILLAGE YOUTH CONCERNS NOTED--A meeting on 17 November in Warsaw between a group of several dozen school functionaries of the ZMW [Rural Youth Union] and PZPR CC Politburo member, PZPR CC Secretary Tadeusz Porebski was an attempt at looking together for answers to many questions, finding the reason for the difficulties facing young people in rural areas, and at the same time presenting specific examples of initiatives which have served the young people and their communities well. [Text] [Warsaw RZECZPOSPOLITA in Polish 18 Nov 86 p 2] 9761

PZPR EDUCATIONAL GROUPS MEET--On 17 November, a meeting of chairmen of party teams of philosophers, sociologists, political scientists, economists, historians, lawyers, psychologists, and education experts, as well as of organization and management sciences, working under the Department of Science, Education and Scientific-Technical Progress of PZPR CC was held. [Text] [Warsaw RZECZPOSPOLITA in Polish 18 Nov 86 p 2] 9761

CSO:2600/289

ART AS EXPRESSION OF REVOLUTIONARY HUMANISM' EXPRESSION

Bucharest ROMANIA LITERARA in Romanian No 50, 11 Dec 86 p 3

[Article by Vasile Baran: "Art and Involvement"]

[Text] Since earliest times, art has been an expression of the artist's involvement; it is an attitude which expresses an idea, a trend, or a moral, ideological or political creed. Socialist art is in the service of the people who are building in their land, a new, more just and better system--the socialist and communist system. It follows quite clearly then, that the writer, a son of his nation, of his people, cannot exist independently of the collective; he cannot create apart from the needs of the society in which he lives, and to the construction of which he, himself, contributes through his works. The fatherland is for the writer, for the artist, an intellectual linguistic environment, a source of ideals and the place for him to demonstrate his talents in the education and formation of new men, with new characteristics. The writer, the artist, is thus called upon to know the true lives of the people of his native land, to inspire himself with their work--so full of self-sacrifice, so eloquent and heroic. He must reflect upon the deeds of these people in the complex process of building--in which the artist is himself involved--a construction which they are carrying out together. These are men whom we meet in our travels throughout the country: factory workers, miners, people in construction, in the new agrarian revolution, men-builders who, when known and identified in the consciousness of the artist, cannot help but become the heroes of profound works carrying the grandest of messages. The whole of our literary history proves, furthermore, that never has a truly creative artist isolated himself in some ivory tower, away from his roots, above and beyond the concerns and ideals of the masses.

As a basic condition of his intellectual existence, the authentic writer, a representative of his times, has been and must be a citizen deeply involved in life's realities, an active conscience and an energetic observer of social reality.

One thing is certain: Our literature is profoundly involved; a fact which gives the true assessment of its worth. The fundamental objective of implementing the provisions of the 13th Party Congress, of the party program for the construction of a multilaterally developed socialist society and for movement toward communism--that is, achieving a new, higher level of activity in all areas of endeavor--significantly colors the global concerns of men in art and culture, of writers. It sets as the goal, an act of creation, emblazoned across the structure of life and labor in today's Romania.

In one of the recent speeches of the party secretary general, Comrade Nicolae Ceausescu--the address given at the Third Congress of Working People and adopted by the attendees as the work and action program for all workers and for the entire population--there are certain brilliantly articulated theses (as is characteristic of all of his theoretical and political works) with the adoption of which, the new society will be victorious. This victory, first of all, mandates the active participation of all workers in its construction. The working class, the peasantry, the intellectuals, "all workers regardless of their nationality, our entire people, have demonstrated that they represent a fundamental guarantor for the implementation of the country's decisions and programs of socio-economic development. The working class, the peasantry, the intellectuals--all our people--are due the credit for all we have achieved, and they represent the impetus and the guarantor that all our programs and decisions will be successfully implemented." Here is the thesis for the construction of socialism by the people, for people, the thesis which "represents not some notion or vague propaganda slogan, but a reality of our society."

After he described the complex revolutionary process in which we live and which demands a new spirit of struggle and toil, the party secretary general stressed the qualities of the new builder, the moral and political characteristics of the new man, "with a highly-developed consciousness and an unyielding attitude toward shortcomings, with a resolute determination to move firmly forward." Then the secretary general closed his speech with this lofty and noble challenge, "Hence this is why, if we are to implement the new revolution--in this vast revolutionary process--we must transform man; we must transform ourselves!" Thus, at a time when there are profound changes not only in socio-economic life, but in men's consciousness, in the way they are, they think and they act, the writers of our country are not just witnesses to the era of socialist construction, but through their writings are active fighters in the ranks of its creators. This total, sincere, and selfless involvement of the artist in the country's socio-political life is the measure of his creative accomplishments. As in all domains of constructive activity, involvement in art takes place with one's eyes on the goal to be reached. Even when you write about the past, you are creating for the future.

Over and over, writers and artists have been profoundly receptive to the calls of the party secretary general, Comrade Nicolae Ceausescu, always to pay heed to the work and art of the people, always to drink from this pure and everlasting spring. Involved in the grand activity of the party to mold consciousness, to educate the builders of today's world and to train the man of the future, writers realize that only this lucid, highly-responsible involvement gives meaning to their work. The more you are involved in the ideals of the people that span the decades and millenia, the more realistic is the creation; its true force will become more pronounced and its echo in man's consciousness more lively and more apt to transform it. As such, involvement becomes profoundly political, manifesting itself artistically not only as a product of deep sentiment, but as a scientific and dialectical vision of life and the ages, of the struggle between the old and the new, an of the directions of social development.

Important moments in Romanian history are reflected in the works of writers and artists who have immortalized them and given them the power of the profound feelings of a certain time. More than that, by creating works of inestimable value, these artists have linked these moments to the ideals and struggles of people across the ages for liberty and social justice, for building a new society and for peace and cooperation among the peoples of the world. The recent 23 November Referendum, which was the largest and most democratic of consultations, gave a new and eloquent expression of the active involvement of artists in the noble universality of concrete deeds, and of the sentiments and thoughts of our entire nation. With the peaceful weapon that is the pen, writers promoted the total unity of the people in the struggle for disarmament and peace. Through verse, through essays, through statements of solidarity in thought and in deeply patriotic feelings published in the country's magazines and newspapers, they expressed their belief in the total victory of reason. The creators of art underscored through their writings, our people's passion for peace. Never have our brave folk launched a war for "expansionist" tendencies--all wars which have enshrined our people in glory, were forced by conquerors who were later compelled to retreat across the Danube or the Carpathians. We have always longed for the "just peace;" we have always wanted to live in quiet, to find ourselves in peace and in our work--the traditional virtue which has achieved new luster in today's Romania. The socialist revolution had and has the same high ideal: the building of a new world, inherent in its activity and in its very fiber, is the desire for peace, for a world in which one man is to another, a pure and simple man. Thus the Romanian people--as was underscored in so many manifestations, writings and artistic creations that sustained the humanistic theses of the party's secretary general, Comrade Nicolae Ceausescu--cannot be, even in their ultimate goals, anything but a people who defend peace as the necessary medium in which to implement the program of socialist construction set down by the Romanian Communist Party.

Strengthening the cause of defending life must be a goal of all peoples--this is an idea which runs through Romanian art--since nothing can be more important than the right of each man to life. "Everything must be done to stop the arms race, especially that of nuclear weapons, to promote disarmament, to ensure peace and the vital right of all people, of mankind, to exist, to be free, to life, to peace!" This is the imperative of our people that the president of Romania announced to the world. Through its unanimous participation and choice, our nation is determined to strengthen through deeds of work and creation, and through the reality of socialist construction, the thoughts and ideas of peace that are shared by all Romanians.

Literature, as an expression of revolutionary humanism, is in and of itself, an aide to the new; its formative role based precisely on this component of its social importance. Contemporary man, whose consciousness reflects the level attained in the current development of society, looks to literature for support and for intellectual stimulation. The struggle for new quality--the primary objective in all sectors of modern Romanian life--employs art in a way as wide-ranging as it is direct. This is because intellectual energies, in constant effervescence, cannot reach their goal, cannot fulfill their task to educate consciousnesses, except insofar as they can impact--in various ways and styles, in different forms and varieties--on those consciousnesses. It is an involvement of a creative consciousness

It is an involvement of a creative consciousness facing up to its own option, addressing the tumultuous life and glorious history of the people, and addressing the future of the fatherland. An involvement which expresses the profound devotion of our writers and artists to the policies of the Romanian Communist Party. This is why they were called by its secretary general, Comrade Nicolae Ceausescu, "the reliable assistants to the party."

12280/12828
CSO: 2700/94

ECONOMY'S EFFECT ON SOCIAL STRUCTURE CRITIQUED

Munich SUEDOSTEUROPA in German Vol 35 No 7/8, Jul/Aug 86 pp 408-421

[Article by Dr Kathrin Sitzler-Vondung, editorial staff member of the Department of Contemporary Research at the Suedost-Institut in Munich: "Social Differentiation and Tensions in Hungary"]

[Text] The transition into the intensive growth phase of the economy, the continued development into an industrial society and the economic reforms with their socio-political implications created the socio-economic framework for the trend towards greater microstructural changes in the social structure of Hungary, which in its most essential features has been consolidated since the end of the 1960s. (Footnote 1) (The most important elements of the economic reforms could be enumerated as follows: decentralization and expansion of indirect forms of management, combination of planning and market mechanisms, recognition and potential influence of group interests, emphasis on profit orientation, efficiency criteria and wage differentiation according to performance, increasing importance of education and professional training for professional positions and political functions, emergence and intensification of a freer labor market as well as of a "second economy," mechanization and specialization of agriculture, change in the production and product structure of industry, growth of the tertiary sector.)

Under these circumstances, of increasing significance are not only the stratification factor of position in the division of labor and production hierarchy as well as distribution and disposal conditions (function and formal position in the decision-making hierarchy, indirect potential for access and participation in decision-making by way of societal organizations, specialized know-how, labor market situation, etc.), but also the so-called secondary stratification factors, such as realities of the settlement structure, a stronger--though less bound to the formal position of the individual in the division of labor--differentiation in material living conditions, involvement in consumption and way of life, as well as participation in the "second economy."

Internal Differentiation of the Macrogroups

All of these factors have brought about internal differentiation in the societal macrogroups. This led, for example, to the emergence of a (skilled)

workers elite within the work force, which is clearly rising above the bulk of skilled workers in their working conditions, income and bonuses, in their opportunities to make use of the labor market and of the "second economy," as well as in educational aspirations for their children. This workers elite lives better than the lower strata of the intelligentsia.

Although the massive scale of specialized vocational training has resulted in a certain devaluation of skilled worker qualifications and a growing incongruence between the specific labor requirements of industry and the scale of vocational training has become evident since the end of the 1970s, the skills qualification constitutes the actual dividing line within the worker strata, amidst growing social distance between unqualified and qualified workers.

The rise in the percentage of skilled workers in manual trades (1970: 37 percent, 1984: 44.7 percent) (Footnote 2) ("Statisztikai Evkonyv" [Statistical Yearbook], Budapest, 1985, p 55) is generally assessed as a positive trend. Nevertheless, the initially positive statistical impression here is a bit deceiving: first of all, the nominally uniform concept of "skilled worker" in fact covers considerable differences in content and level of qualification, not only between the individual branches of the economy, but also frequently within the enterprises, since the state of technological development varies greatly and the internal spectrum can extend from manual labor to full automation. Secondly, the rising number of skilled workers does not in all cases imply the actual acquisition of skills, but rather the practice of enterprises, pursued until very recently, of hoarding labor--regardless of its productive and efficient deployment--and of classifying jobs without corresponding qualification requirements as skilled positions with better pay, in order to in this way build up a labor pool.

The rise in the number of skilled workers, which amounted to 21 percent between 1970 and 1980, has--amidst cutbacks in economic growth as well as economic planning more strongly oriented towards efficiency criteria--in the meantime clearly slacked off, and was only 4 percent between 1980 and 1984. (Footnote 3) ("Az 1984. evi mikrocensusz fobb eredményei" [Main Findings of the 1984 Microcensus], Budapest, 1985, p 27) In addition, the assumption that technological development and an increase in skills will take place at an equivalent pace has proven in Hungary to be erroneous. Experience has shown that an increase in the complexity of industrial equipment and of the means of production is not necessarily accompanied by an increase in the corresponding skills of the labor force; rather, at a certain stage of mechanization and automation, the qualification requirements for jobs begins to fall. As a trend, technological development in Hungary as well implies an increase in semiskilled labor, both in manual and non-manual trades.

The positions of semiskilled workers and unskilled workers as social strata are relatively close, at least with respect to the group of unskilled workers that has specialized in heavy, physical, relatively highly paid labor, such as material transport, packing, etc. The other group, which generally has not completed elementary school, is engaged in actual "unskilled labor," as doormen, nighttime security guards, etc., with incomes well below average. These unskilled workers constitute a large part of the lowest social stratum

of the so-called multiple participants. They are overproportionally represented among Gypsies and the approximately 250,000 rural weekend commuters.

Modern organization of production, the mechanization and specialization of agriculture, the increase in the percentage of non-agrarian activities as well as of semiskilled and skilled labor and changes in lifestyle and in consumer behavior in rural areas have all led to a situation in which the strata of persons employed in agriculture have increasingly lost their rural character--those in state properties more rapidly, cooperative farmers especially so with the young generation--and are integrating into the work force and its internal structure as specialized agricultural experts. In addition to subsidiary and private farms, village community life constitutes a conservative force for residual elements of traditional rural society.

Measured in accordance with the level of economic development, the amount of non-manual laborers (brainworkers) was, at 25 percent of all gainfully employed persons, too high as early as at the beginning of the 1970s. This figure has in the meantime risen to 32 percent and is expected to climb to 40 percent by the turn of the century, according to outlook plans. The significant increase over the last decade reveals not only the progress of technological and economic development, but also an increasing bureaucratic trend and hidden unemployment.

The primary problem here appears to be the internal composition of this group: the large percentage of administrative workers with intermediate levels of education is contrasted with the 26 percent share of the intelligentsia with a college education. Measured in terms of the proportion of holders of diplomas, Hungary is in an intermediate position among European countries. If only college graduates who followed a regular daytime course of study are considered, and evening-class and correspondence course graduates are excluded, Hungary drops to one of the lowest positions.

Since the end of the 1960s, the farmer-proletarian influx into the intelligentsia has stagnated, meaning that this already traditionally consistent stratum with little outflux mobility is showing an intensified tendency towards greater internal consistency and self-renewal. Within the intelligentsia stratum, the old educated classes, with doctors in first place, followed by jurists and then--recently on the rise--by humanists and artists, are demonstrating the greatest amount of internal consistency, while technicians and educators--as the intelligentsia group with the lowest income and the least amount of social prestige--are the most open group.

The internal differentiation of the "brainworkers" has been reinforced by a clear rise in the status of the intelligentsia, linked with increasing acknowledgement of the pre-eminence of professional qualifications in economic and political leadership positions, as well as the relative loss of status of simple--incidentally, predominantly female--bureaucrats and administrators engaged in routine activities. (Footnote 4) (However, a large percentage--in 1980, 35 percent of technical managers and senior engineers--of cadre without college training can still be found in economic leadership positions. Cf. Huszar, Tibor, "A mai magyar ertelmiseg" [Hungarian Intelligentsia Today], in

LATOHATAR 4, 1985, pp 161-183. On societal differentiation cf. Huszar, Istvan, "A tarsadalmi szerkezet atalakulasarol" [On the Change in the Social Structure], in KOZGAZDASAGI SZEMLE, 4, 1985, pp 399-407; Kulcsar, Kalman, "A mai magyar tarsadalom" [Hungarian Society Today], Budapest, 1980; Kolosi, Tamas, "Struktura es egyenlotlenseg" [Structure and Inequality], Budapest, 1983.)

Amidst worsened national economic conditions since the end of the 1970s, and since the legalization of the "second economy" with a multitude of opportunities for private economic activities in small industrial enterprises and in the service sector, the microstructural differentiation of Hungarian society has continued, while at the same time signs of a "new wealth" and a "new poverty"--thus, the danger of a new polarization of society--have begun to emerge. In the area of conflict between the efficiency-oriented productivity requirements of economic modernization and the traditional socialist egalitarian concepts, Hungary's social and societal policy is today compelled on the one hand to acknowledge societal inequality and differentiation and on the other hand to keep these from escalating into social tensions that could have long-term destabilizing effects on the system.

Income

However, these types of "social tensions" have in the meantime apparently achieved a critical status: they are at least with increasing frequency the subject of remarks by the political leadership as well as by public--or rather, published--opinion. Because for large segments of the population these tensions are accompanied not only by the nonfulfillment of certain--ideologically induced--expectations and by an obligatory reduction in their rightful claims, but are also associated with feelings of existential uncertainty, of the lack of "social justice" and--especially for the younger generation--of the lack of future prospects, they draw "national unity, the alliance policy, consensus and the preservation of achievements" (Footnote 5) (Imre Pozsgay in the report before the 8th congress of the Patriotic People's Front, MAGYAR NEMZET, 14 December 1985.) into question, and thus have the same effect on societal acceptance of further reform measures, as well as the legitimacy of the regime or of the system as a socialist one.

Social tensions are sparked primarily in the area of distribution and income, thus with respect to the effects of the legalization and expansion of the "second economy" on the one hand and the austerity measures undertaken in recent years for the restoration of the economic balance on the other hand. In the last planning period, this policy in fact exhausted its potential in restricting domestic consumption to such a degree that, according to the outline presented before Parliament by Deputy Premier Lajos Faluvegi on the 7th Five-Year Plan in December 1985, "this course can no longer be pursued." (Footnote 6) (MAGYAR HIRLAP, 21 December 1985.)

Concealed behind this statement is the acknowledgment--only recently formulated in the economic literature, although long familiar to large segments of the population from day-to-day experience--that at present "workers wages and social benefits combined do not cover the costs--socially accepted and corresponding to the level of economic development--of

reproduction of the work force." (Footnote 7) (Molnarne-Venyige, Julia, "Eletkor, kereset, osztonzes" [Age, Earnings, Social Position], in KOZGAZDASAGI SZEMLE, 1, 1986, p 56.)

This fact also finds expression in the results of the last five-year planning period: real wages have fallen by five percent, compared to the level in 1980, while the real income of the population has risen by seven to eight percent. In the development of the income structure, a trend that has been observable for a good 10 years--and that is especially negative for the goals of the new five-year plan concerning dynamizing the economy through a rise in efficiency and productivity--has come increasingly to fruition: the falling share of labor income from the "first economy," thus from the socialist sector, with a rising quota of social benefits (from 1960 to 1984 from 18.4 to 33.6 percent of total income), and an increase--which can only be proven to a limited extent by statistics, since it is based on estimates and voluntary tax declarations--in the proportion of income from "supplementary activities," meaning from all forms of legal or semi-legal participation in the "second economy" as well as illegal opportunities in the "third economy."

As far as the relationships of income from the "first economy" and social benefits are concerned, socialist-egalitarian levelling trends continue to dominate; thus, the differences in income between the "classes and strata"--meaning the social categories in the official statistics--even shrunk in the 10 years between 1972 and 1982. With an index value for working class income of 100, collective farmer income in 1972 was 109, but only 99 in 1982, while the figures for non-manual workers (intelligentsia and office workers) were 137 and 126, for self-employed persons 121 and 122, and the income of the overall households of the gainfully employed was 110 and 107, respectively. (Footnote 8) (Bohm, Antal, "Tarsadalmi struktura, munkasosztaly" [Social Structure, Working Class], in TARSADALOMTUDOMANYI KOZLEMENYEK, 1, 1985, p 18.)

Similarly, the income gap has closed somewhat since the beginning of the 1960s, according to official figures--and thus excluding income from the "second economy"; whereas the income of the highest-earning tenth of the population came to 5.8 times that of the poorest-earning ten percent of the population, this relationship was reduced in the 1980s to a factor of 4 or 4.5.

With a wage level that is on the whole too low, the actual differentiation in income in this area is, all watchwords to the contrary notwithstanding, not so much linked to the quality, preconditions, etc. of labor or to individual productivity or overall enterprise viability; the strict central wage controls, as well as tax and social expenditure burdens, leave the enterprises too little freedom to improve wages for these enterprises to be able to truly differentiate on the basis of productivity and with an eye to increasing efficiency. School and training diplomas, with the exception of university study, do not seriously influence differences in earnings in the socialist sector. There has been only little change in the traditional wage gap between women and men; the average earnings of women in groups at all levels of skills and career stages remain 30 to 40 percent behind those of men with nominally identical qualifications. (Footnote 9) (Kolosi, Tamas, "Jovedelem, kereset, tarsadalmi helyzet" [Income, Earnings, Social Position], in TARSADALMI SZEMLE,

10, 1983, pp 48-56.) The size and composition of families--thus, factors independent of work and productivity--are, despite the rising share of social benefits in the income of the population, significant differentiation factors for the per capita income of families. In pensioner households, the average per capita income is just under two-thirds of that of the households of the gainfully employed, in families with two children three-fourths, with three and more children two-thirds, or just over half of that of couples with no children. (Footnote 10) ("Fobb gazdasagi folyamatok 1981-1984" [Essential Economic Processes 1981-1984], Budapest, 1985, p 79.

Inadequately offset by cost-of-living allowances and the present general annual pension adjustment [for inflation] of two percent, the numerous price increases for everyday consumer goods, heating and transportation in the last few years, an inflation rate of officially seven to eight percent--according to inofficial statements and Western estimates at least 12 percent--have all resulted in a real value shrinkage in pensions and family allowances, and thus for these very families have led to severe sacrifices in the standard of living and, with increasing frequency, to a crossing of the poverty line of the socially accepted minimum income of 2,500 to 3,000 forints. (The average monthly income in 1985 was approximately 6,000 forints.) In this way, more than 20 percent of the Hungarian population already lives temporarily or permanently in poverty.

Primary Jobs and "Supplementary Activities"

The trend of the continually smaller share of labor income from primary jobs in the nationalized economic sector--or rather, from primary job working hours--is leading to a devaluation of these jobs and working hours. The 15 to 20 percent loss in working hours registered, although not exclusively at the expense of the work force, but instead also caused by the organizational inefficiency of the production process, of material supplies, etc., can also be expressed as equivalent to meaning that around one million of the five million workers in Hungary are producing no output. (Footnote 11) (Havasi, Ferenc, "Gazdasagpolitika-tarsadalompolitika" [Economic Policy-Social Policy], in NEPSZABADSAG, 18 January 1986.)

Economist Mrs Molnar-Venyige writes on the societal devaluation of work in the socialist sector, which is low-paying but does offer security and guarantee a right to social pension, in the economic studies journal of the Academy of Sciences, KOZGAZDASAGI SZEMLE:

"A significant segment of the population is not willing to exert itself seriously in a primary job and gives its priority to supplementary income. And this should really come as no surprise to us, because one can scarcely earn more through better, more efficient work and greater output; for this reason, the people are realizing their material interests here and there, however and wherever possible. The situation has worsened in recent years, and there is a danger that performance will continue to adapt to the stagnating or falling level of real wages....

"Low and levelled wages--in conjunction with the effects of the partially strained work force situation--represent the greatest obstacle to an effective system of incentives. In competing for workers, the employers can offer higher wages only in exceptional cases, and for that reason cannot make any real demands, instead frequently competing using an actual reduction in demands. Because of this, it only with difficulty, if at all, that they are able to realize their efforts in the direction of quality work and utilization of working hours, even if they are making a real effort to achieve successful business management (-whether they are actually doing so is another question).

"Over the course of many years, a vicious cycle has emerged that can be broken out of only with difficulty: wages are adapted to lower performance, and performance is adjusted to the lower wages.

"What would be needed here is a fundamental change such that the earnings from the primary working hours for an industrious, productive person cover the socially accepted reproduction costs of the work force, and that this take place in such a way that social benefits play a smaller role in this than is the case today. An able-bodied person in an average state of health should not be "supported," but rather presented with a situation that gives him the opportunity, and at the same time the stimulus and compulsion to work hard, to produce output--and this work must be paid for." (Footnote 12) (Molnarne-Venyige, loc. cit., p 57.)

It should be added here that extremely high income, such as that of the five officially known taxpayers in Hungary with a yearly income of one million forints, thus a monthly income of 83,000 forints (the actual number of income millionaires is no doubt higher), cannot in any case be achieved in the nationalized sector. (Footnote 13) (FIGYELO, 14 November 1985.)

Reference is made to the additional income of the population from "supplementary activities"--income acquisition and redistribution by way of several channels--by the fact "that statistically variable income and consumption by the population are increasingly losing their correlation." (Footnote 14) (FIGYELO, 19 December 1985.)

Thus, for example, the supply of households with consumer durables has not fallen off, despite the drop in real wages, but instead has stagnated only in the last 2 years. Up until 1983, a quantitative improvement, even if with falling growth rates, could still be proven statistically. Similarly, household statistics in recent years indicate continually rising consumption of expensive foods. On the whole, the material situation, the level of supply of consumer durables--although partly influenced by the money reserves accumulated in the 1970s and by spending behavior affected by inflation, or rather by the fear of price increases--as well as current consumption by the Hungarian population must be regarded as somewhat more favorable than assessments purely from income data and real income calculations indicate. Nevertheless, a relatively large stratum of over 20 percent of the population is subject to massive restrictions on consumption; this segment, which has no opportunities--legal or illegal--to supplement its income and which consists in part of recipients of average- and low-level pensions and some industrial workers and civil servants, must bear all the consequences of the worsened

national economic situation and inflation. "They have been wrestling with such problems for years, so that the feeling of existential uncertainty can arise within them." (Footnote 15) (Folkmayer, Tibor, "Adalekok a szocialpolitikai koncepciohoz" [On Socio-Political Conception], in SZAKSZERVEZETI SZEMLE 2, 1985, pp 22-28.)

According to information found in a 1983 study, supplementary incomes are not sharply differentiated, and only a minute segment achieves truly extravagantly high earnings in the "second economy."

According to this study, four-fifths of all Hungarian households increase their family budgets by an average factor of one and a half through income earned by one or more family members in the "second economy." In half of the households not participating in the "second economy," the family income is in turn already more than 50 percent higher than the national average. Thus, for the vast majority of families, participation in the "second economy" guarantees preservation of a livelihood, meaning the average standard of living. The study estimates the number of families that earn additional income from the "second economy" amounting to at least twice as much as the average monthly income as being only two to three percent. (Footnote 16) (Kolosi, Tamas, loc. cit., p 53; Ibid., "Struktura es egyenlotlenseg," Budapest, 1983, p 108.)

In contrast, Western sources report a figure of around five percent of the working population that earns ten times the official average income and a very large difference in income between the highest and the lowest five percent of the income hierarchy. (Footnote 17) (THE TIMES, 30 April 1985, for example.) The actual values are probably closer to these figures.

According to the data from the 1984 microcensus, the vast majority of the gainfully employed participate in the "second economy," of which 60 percent are in the subsidiary and private farms, 15 percent are in the enterprise labor cooperatives, 13 percent are in secondary jobs, and 6 percent are in private labor cooperatives or small private companies. Not included in these figures are all the--rapidly expanding--semilegal and illegal forms of additional income, such as tips, bribes, kickbacks, black market work, the use of state-owned property for private purposes (private work by construction workers using the enterprise's machinery and materials), etc. According to more recent Hungarian estimates, the level of overall income earned in the "second economy" already corresponds to the income from non-monetary social benefits, thus 20 percent of the earned income from the "first economy." (Footnote 18) (STATISZTIKAI SZEMLE, 12, 1984, p 1256.) For the approximately 20 percent of families with extremely low incomes who cannot join in the "second economy," this enlarges their income gap from the average and reinforces their status as socially disadvantaged.

Social Tensions

The provocatively ostentatious consumption behavior of the new well-to-do stratum and the acceptance of certain articles of high-level consumption as social status symbols are side effects of the development of disparate income levels that are clearly having a negative effect on public morale. A strain

on the societal value system thus finds expression when in socialist Hungary, by definition a "workers and farmers state," a young worker remarks in a socio-political discussion: "My child goes to kindergarten in boutique apparel. And this is because he would otherwise have to be ashamed of the fact that his father is a worker." (Footnote 19) (NEPSZABADSAG, 23 January 1986.)

A social order that came into being making claims about the fundamental superiority of its economic system and with a greater emphasis on its production conditions as well as on greater--understood as egalitarian--social justice must lose credibility and societal acceptance when the majority of the population must compensate for losses in real earnings and a drop in the standard of living during periods of economic difficulties--which are in no way caused only by exogenous factors--through activities in a non-system sector organized according to private and market economy principles, and when a large number of its older citizens must clearly feel disadvantaged. It is precisely the so-called founding generation, which amidst mandatory cutbacks in consumption "rebuilt the country from the ruins with quasi-social (meaning unpaid) labor," as a pensioner quoted in the party organ NEPSZABADSAG put it, "that is again today the group that is having to make sacrifices." (Footnote 20) (NEPSZABADSAG, 28 December 1985.) The depreciation in real value has had a particularly serious effect on the minimal pensions of this group, which were fixed prior to 1975 and are for the most part below the subsistence level; even the difference between these pensions and those fixed in later years for the next generation of senior citizens is felt to be unfair.

According to Tibor Folkmayer, assistant director of the Theoretical Research Institute of the Trade Unions, the most pressing problems in Hungary in the general area of "aspects of the social climate and of the social well-being" have to do with pensioners. In his opinion, a remedy is urgently needed for these problems not only for humanitarian reasons, but also for political ones. Folkmayer explains:

"Present-day pensioners received their pensions in keeping with wages that were established at a time in which the preservation of their real value was not yet jeopardized by inflation on the scale experienced today. In the past 5 to 8 years, as more room has been given to market conditions, annual price increases have amounted to six to eight percent, even according to plan. Compared to the automatic pension adjustment of two percent, the untenable situation of pensioners with small pensions becomes clear. What sort of living conditions can be realized today with a pension of 2,000 forints? For the pensioner, these present-day living conditions--his social state of being--also represent a balance sheet for his life. The social and economic results that we are able to demonstrate today reflect the efforts, sacrifices and privations of the pensioners. For this reason, the real position, the actual situation, is also a measure and balance sheet of policy for 21 percent of the population. They have at their disposal neither efforts towards nor possibilities of any type of change. For them, their social position is the result of all their earlier commitment. We must not allow these people, who have given their strength and their faith to the hopes of the new society, to

be disappointed in the twilight of their lives." (Footnote 21) (Folkmayer, loc. cit., p 24.)

With increases in construction costs higher than the rate of inflation (1980-84: 10-13 percent), with prices of 800,000 to 1,000,000 forints for an apartment of 70 square meters, for which an "entry fee" of 300,000-400,000 forints is necessary despite benefits from the local councils and new credit possibilities, and with a ratio of state to private housing of 12:88 percent (!), it is nearly impossible for young people to get their own housing without financial support from their parents. (Footnote 22) (In Budapest, 20 percent of young married couples do not even have their own room. MTI-WOCHENBULLETIN, 1 November 1985; Sik, Endre, "A szocialpolitikai szereplo a 'hosszu 80-as evezben'" [The Upholders of Social Policy in the "Long 1980s"], in MOZGO VILAG, 8, 1985, pp 88-99.) Because of this, the middle generation between the ages of 45 and 60, which has achieved the majority of its material goals and consumption desires—such as a house or apartment, a yard, possibly a weekend house or property, a car, foreign travel, good (even if not modern and healthy) nourishment and more sophisticated clothing—is doubly obligated to support the older generation with its minimal pensions and their own children who are at the beginning of their careers, want to marry, but cannot raise the money necessary for an apartment. On the average, this generation as well is thus no longer able to enjoy their modest but nonetheless genuine "socialist well-being." In the senior citizens they also have a glimpse of their own potentially dismal future.

Next to the pensioners, it is primarily the young people at the beginning of their careers whose problems of material existence and social satisfaction or dissatisfaction could easily develop into a precarious political situation. According to Tibor Folkmayer's vivid description,

"(T)he nebulously rose-colored illusion of a distant, unfathomable future does not represent an alternative for the youth. This youth specifies the parameters of social well-being with prosaic rationalism in the amount of forints necessary in order to live, in the number of square meters that they can get in an apartment, in kilometers that they can travel, in vacation days available for rest, leisure time and education. We should be neither annoyed nor depressed about this. This is being brought in by the spirit of the times; there is no going back to the heroic days of poverty and indigence. Let us not be too hasty in our judgements and conclusions! The path of the youth does not by necessity lead to alienation, a reduction in sociability, rejection of politics and indifference to social issues; this youth understands existential principles and living conditions differently than the previous generation. The lack of perspective that is evident now and then does not arise from a confrontation with or rejection of our ideas and ideals, but rather from the—false?—awareness of the unattainability of the specified preconditions and goods. Political sensitivity does, after all, tell us that the long-term unattainability of goods and needs that are induced by the developmental state of society and appropriate to it cannot fail to have an effect on the sphere of awareness." (Footnote 23) (Folkmayer, loc. cit., p 25.)

This "sphere of awareness" has been similarly affected by decades of propaganda on egalitarian justice and the blessings of socialism, such as guaranteed growth in well-being for individuals and for the collective, the elimination of inflation, the levelling out of differences in wealth and of social inequality, etc. Thus, a certain propaganda backlash is evident in Hungary today, in which--as the quote above suggests ironically--one thing that is brought to bear is that which could be called an "ideology of poverty." With the Marxist central thesis of the "expropriation of the expropriators" and the initial preconditions of the socialist system in Hungary as a starting point, it was, according to Julia Molnar Venyige,

"(L)ong considered a virtue in our country to be poor, and this is still the case even today. We still more or less look upon those with significant wealth with distrust. And this in fact happens regardless of whether this wealth stems from work, skill, inventiveness or base speculation.

"Our system of distribution continues today to be based on the assumption that there should be no high levels of income. High income--enterprise, cooperative, but especially personal--is implicitly suspect, because it violates the principle of equality, interpreted according to vulgar Marxism. This assumption of distribution and of income control has long since outlived its historical usefulness, and today serves primarily to hamper effectiveness, skill, ability and inventiveness and to divert creative energies into surreptitious activities.

"It should finally be stated that being poor is no virtue, and that being well-off is no crime, but rather is desirable and honorable, if well-being comes from ... work." (Footnote 24) (Molnar-Venyige, loc. cit., p 56.)

Danger of Polarization

In conclusion, the following can be said: As a result of the various forms of ownership and businesses, the expansion of the goods-money conditions (market), and the legalization of the "second economy" in the wake of the 1968 economic reform and its revival at the beginning of the 1980s, income differentiation in Hungarian society has increased. At the same time, the goal of recovery of the economic balance has led to intensified centralized redistribution, which has hampered the principle of efficiency and the further development of a system of incentives involving income differentiation according to performance. This has resulted in the emergence of a "double wage level": in the socialist sector, a downward levelling off of wages has taken place that is clearly depressing the value of work at the primary job, and thus also of performance, knowledge and ongoing training, while in the "second economy" a higher level of income and greater differentiation prevail, although this is not always associated with work, greater performance and net product.

Although additional income from the "second economy" has mitigated the problems of maintaining the standard of living in terms of overall society, it has at the same time resulted in a less transparent redistribution of the income of the population, the social justice of which is being increasingly called into question, leading to clear social tensions. The population has

become sensitive to the changes in income distribution and redistribution. The inflationary rise in prices has caused further tensions, since the rising prices have neither eliminated certain shortages nor led to a qualitative improvement in goods and services, instead representing--since they affect the various strata of the population in different ways--a further distribution of income, as a result of which the situation of some social groups, such as the handicapped, pensioners, families with many children and the socially deprived, has worsened significantly.

In this sense, an intensified accumulation and reproduction of societal advantages and disadvantages that is particularly irritating to the social climate can be observed in recent years among respective final groups of the societal hierarchy; this trend extends not only to income and material goods, but is also expressed in opportunities for the advancement of interests, cultural status, housing conditions, access to the social benefits systems, etc.

The danger of a polarization of Hungarian society is just as irrefutable as the existence of tensions between those utilizing the economic reforms and those being left out. These tensions provide the conservative elements of the party, such as Budapest party secretary Karoly Grosz, with socio-political fuel in the power struggle over Kadar's succession, and give the recently apparent efforts by the trade unions not to continue to push for significant reforms a socio-politically motivated argument. In order to counter the objectively existing, growing problems of low-income and socially disadvantaged groups and to mitigate tensions, the government felt compelled to introduce a series of socio-political relief measures at the beginning of this year, such as an increase in social credits for construction, an extension of the benefit period for income-proportional child education funds from 12 to 18 months and--of particular importance--the automatic annual adjustment of minimal pensions fixed prior to 1975 in keeping with the rate of inflation foreseen in the plan (1986: five percent), with a two percent annual increase in other pensions. Although around one million pensioners in Hungary continue to live at or below the poverty level, the depreciation in the real value of these retirement benefits and the worsening of the situation of the oldest generation is thus at least curbed, even if it is not halted entirely, and one of the most pressing socio-political issues is somewhat defused, at least for the time being. However, this does not free the party and the government from the responsibility of developing a modified, comprehensive income, tax and socio-political program in accordance with their economic and reform policy goals and with due consideration to potential societal and social consequences.

12271
CSO: 2300/67

UNIVERSITY INAUGURATES 'OPEN LECTURE' PROGRAM

Poznan GAZETA POZNANSKA in Polish 23 Sep 86 pp 1, 3

[Article by (mi): "Inauguration of Open Lectures at Adam Mickiewicz University on 20 October"]

[Text] In an interview with Prof Jacek Fisiak, the rector of Adam Mickiewicz University [UAM], which was recently published on the pages of GAZETA, we reported on the organizational preparations for that university's introduction of open lectures, available to everyone interested in expanding his knowledge of certain fields of science. Today we can provide further details on the date when the lectures will begin and on the problems and fields that they will cover.

The inauguration of the open lectures will take place at 16:00 on 20 October in UAM's Small Assembly Hall, near 1 Wieniawski Street. Anyone can attend, regardless of his level of education. The organizers request only that a written statement be submitted, which will be a notification of attendance at the lecture chosen. The declarations are received by the secretariat of the UAM prorectors, located in Collegium Minus at 1 Wieniawski Street on the first floor. Attendance at the lectures is free. The lectures will be held once a week in the afternoon. After listening to 30 lectures, a listener will receive an appropriate certificate.

We have been informed that the following thematic cycles, proposed by individual UAM institutes and departments, are planned for the first semester: "Human Rights--Political and Legal Problems," "Great Politicians of the Second Republic," "Problems of Modern Biology," "Family and Child," and "Methods and Forms of Rearing Children of Different School Ages."

On the other hand, during the second semester it will be possible to listen to lectures on the subjects of learning about the world through art and literature, problems of modern mathematics, German-Polish contacts in literature, the psychological functions of architecture and art, the influence of chemical stimuli on living organisms, and modern personality theories.

The school can expand the range of the subjects of the lectures, provided that a group of at least 10 listeners states that it will attend.

Let us also add that the goal of the UAM scholars' initiative is gradually preparing organizational conditions and gathering experience that would serve for the inauguration in the future of the activities of an open university in Poznan.

SCHOOL COMPUTER EDUCATION STATISTICS

Warsaw POLITYKA in Polish No 45, 8 Nov 86 p 2

[Extract from interview with Dr Stanislaw Waligorski, head of a team which developed a course on the elements of computer science, by Slawomir Polak and Roman Wojciechowski, previously published in BAJTEK Nov 86]

[Text] [Question] What percentage of the schools are capable of starting the courses as early as this year?

[Answer] About 1 percent... If we consider that about 3,000 schools can introduce the subject, and the training courses were taken by 200-300 teachers, and if we take into account the shortage of equipment, then we come up with that 1 percent.

9909

CSO: 2600/171

SINGLE MOTHERS' ECONOMIC NEEDS NOTED

Warsaw TRYBUNA LUDU in Polish 1 Oct 86 p 3

[Article by Zofia Krzyzanowska: "Single Mothers: How They Cope"]

[Text] There are half a million of them--incomplete families, which is almost synonymous with single mothers. Half a million is not a large percentage of mothers in general, but it is a serious social problem, the problem of mothers and children.

These are critical situations, which demand a decision. In general, however, the decision is a matter of the choice made by the woman.

Let us cite the data obtained during the first half of this year as a result of studies conducted by GUS [Main Statistical Administration]. Thirty thousand single mothers worked on farms, and 360,000 worked in the socialized economy. There were more white-collar workers among them than blue-collar workers. Women with an intermediate education predominated, and a large percentage of them had a higher education. Over half had only one child.

The typical heroine of incomplete families is a woman for whom motherhood does not present major burdens, who is prepared for professional work and who is independent. There are also others, however, whose decision was more difficult. Every third mother has only an elementary education. Nearly 15 percent have more than one child. More than a tenth are annuitants. Let us remember this differentiation.

Don't Worry About Me

The monthly budget of every tenth one is over 14,000 zlotys per person, which means an income of over 28,000 zlotys for a mother with one child. Every third one has over 10,000 zlotys per person each month. Close to 12 percent, however, have less than 5,000 zlotys per person. Everything depends on family size, professional position, and... alimony. These factors overlap. Having several children is generally associated with a low level of education, while resistance to paying alimony occurs most often among people with a low level of education. Admittedly, the Alimony Bank is left, but its services are slight, and barely provide protection against extreme poverty. Among mothers

with an elementary education, either complete or incomplete, 34 percent assessed their material situation as rather bad or bad.

"Don't worry about me, I'll manage," said an old song. In reality, it is often not possible to get by without family help. Receiving emergency assistance from one's family is universal. Receiving continual financial assistance is not unusual, since this applies to over 10 percent of the families. The problems do not end with financial matters, however.

A Place for the Child

From the economic standpoint, as well as those of care and upbringing, the ones who live with their families are best off. One fourth do so. Three fourths live separately, as a matter of choice or necessity. One's family is not always at hand, and there is not always room for a child in the family home. In addition to this, living separately has the attraction of independence. For divorced women, this very often means remaining in the apartment that the husband has moved out of.

Single mothers obtain additional living space through such changes. In incomplete families living independently, the average is about 17 square meters per person, i.e., more than for families in general. Of 100 families, about 64 think that they have an apartment that is large enough. More than a third of the children have their own rooms.

There is room for the child in the apartment, but the situation with room in the mother's schedule is worse. Admittedly, single mothers have justifiable priority in the admission of children to nursery schools and preschools, but this is barely enough for them to engage in their professional work. In a complete family, the parents can divide the time after work between the child and household chores. In an incomplete one, both burdens fall upon the mother, who does not always manage to bear up under them. It is an alarming fact that every eighth child is sent away from home to be brought up by a distant family. Among those who remain with the mother, many show signs of social maladjustment. About 8 percent of the children fail in school, and repeat classes.

How to Help Them

Every third independent mother sees possibilities for an improvement in her situation. This is optimistic. It means, however, that two thirds do not see such a possibility, and this is less pleasant. These two thirds desire an increase in state assistance, as something that is owed to them. Let us tell each other openly that demanding attitudes occur more frequently than is justified by the economic situation of single mothers which was revealed as a result of the studies.

It is a disturbing phenomenon, which indicates that we should think about the correctness of associating various privileges and additional social services with the mere fact of "single motherhood," without looking into the actual situation of the family. After all, there are tremendous differences among single mothers.

In this group there is also, however, a significant percentage of women who live in extremely difficult conditions. The present level of services from the Alimony Bank is not enough to protect them from poverty. The question of raising the level of these services is undoubtedly socially important, although it affects a small group of families. An issue that is no less important is economic assistance through the development of working at home: something that has been called for for a long time, and the implementation of which has met with insurmountable difficulties.

While economic assistance is only required by some incomplete families, the need for assistance in upbringing is broader in nature. Furthermore, this is not just a question of a place in a nursery school, preschool, or a school club, and in summer camps, where the priority of incomplete families is mandatory. Children deprived of a normal family life require increased care from educators and teachers, understanding for their situation, and support when they have difficulties. A call for such care under the conditions of crowded preschools and schools may seem to be completely impractical, but the matter is important enough to be kept in mind in spite of unfavorable conditions.

9909

CSO: 2600/171

ART 'EXPORT' SITUATION CRITICIZED

Warsaw POLITYKA in Polish No 45, 8 Nov 86 p 2

[Extract from interview with artist Franciszek Starowieyski by Jerzy Jurczyk, previously published in WYBRZEZ 12 Oct 86]

[Text] ...Our painters work like little prostitutes for foreign countries. They make pictures in standard sizes, for example 30x70 centimeters, and mount them in black frames, which a Western agent throws away and replaces with gold frames. In such galleries such paintings are sold in bunches to decorate hotels or apartments. That is our art export. Everyone, however, dreams of ending up there. Purchase by a museum has stopped meaning anything, because it is a routine activity. The situation for art is really tragic.

9909

CSO: 2600/171

END